

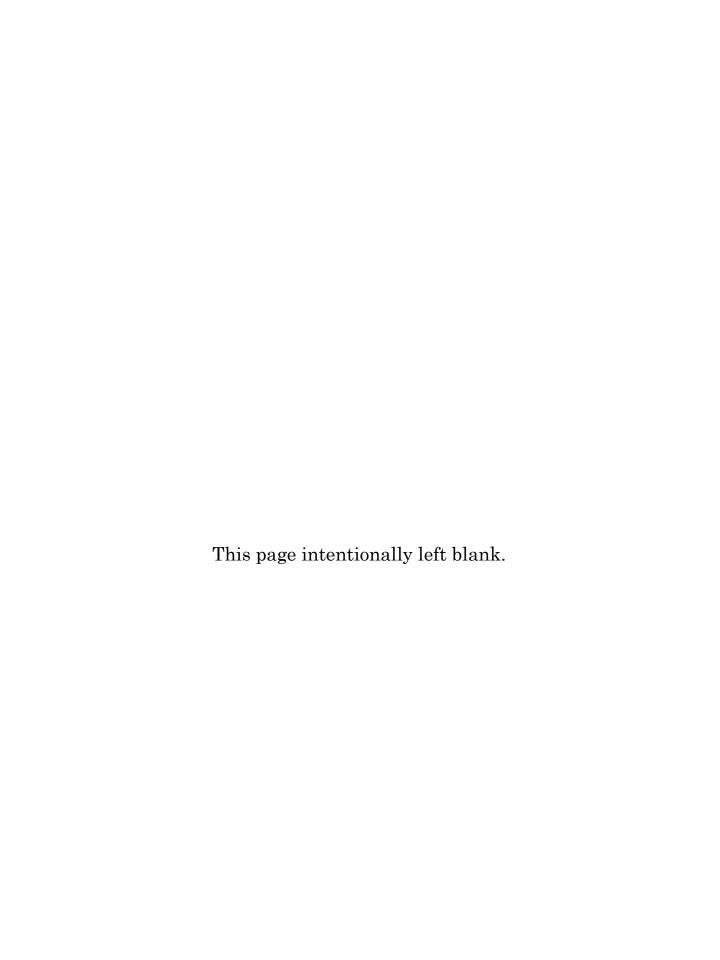
# OEA 5: Iran April 2010

# Operational Environment Assessment: Iran



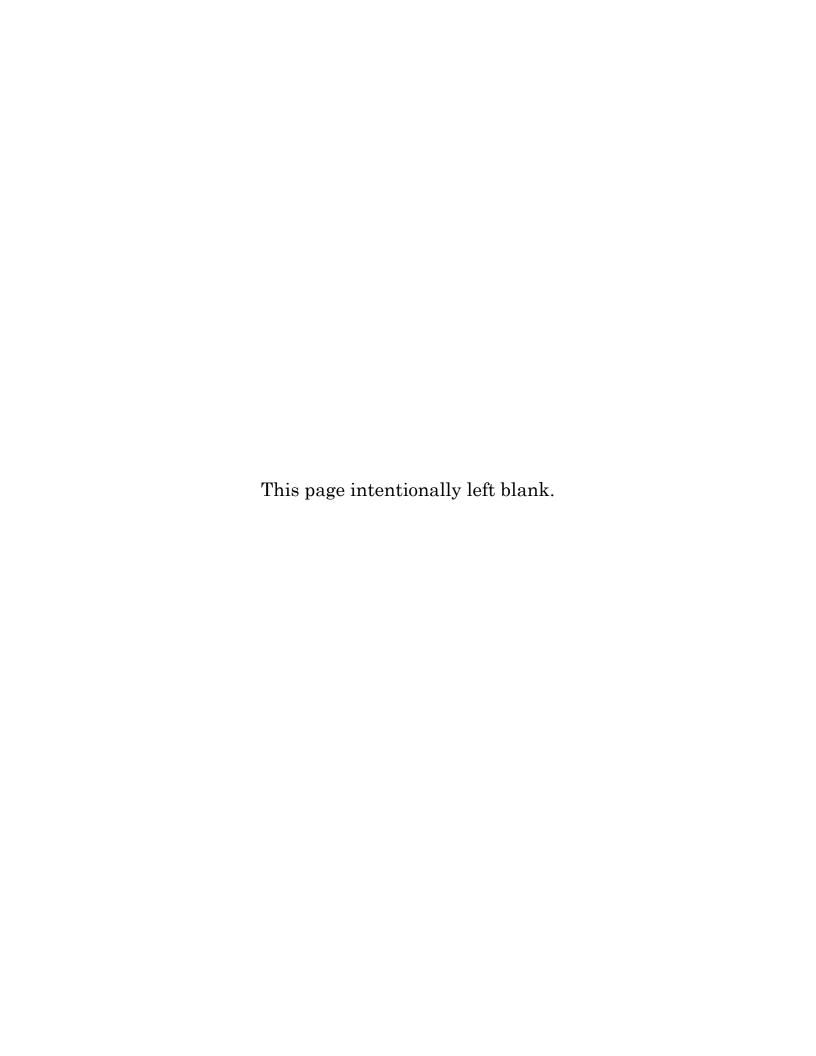
TRADOC G2
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ODER ATTONIAL ENWIRONMENIT ASSESSMENIT TEAM

# INTRODUCTION



#### **PURPOSE**

An operational environment is the "composite of the conditions, circumstances, and influences that affect the employment of capabilities and bear on the decisions of commanders." (JP 3-0)

The purpose of an operational environment assessment (OEA) is twofold. First, an assessment provides a detailed description and analysis of an operational environment (OE); secondly, it presents a methodology for the application of the OE framework<sup>1</sup> to any real-world OE. The OEA framework is an analytical construct developed to explore the complex and ever-changing combination of conditions, circumstances, and influences that affect real-world military operations within a given OE. The framework provides a method for describing the conditions of military operations and capabilities, and is applicable across leader development, education and training environments as well as real-world contingency planning or pre-deployment exercises.

OEAs are intended to support the Army training community in the development and execution of mission rehearsal exercises (MRXs), training exercises/events and general cultural awareness training. This OEA, focused on Iran, presents a discussion of the PMESII-PT variables, a trends analysis across variables and an event list of real-world events from Iran.

Every OE is different. Each one is dynamic, multi-dimensional and has its own degree of complexity. To better understand the uniqueness of each OE, one needs to study and understand the variables, their synergy and their overall influences on military operations. An OEA helps define the OE's nature and characteristics and seeks to present an understanding of the variables and their impact across the OE. By defining the makeup of these variables as they relate to a specific OE, you are defining the nature and characteristics of that environment.

Each OEA discusses the **political**, **military**, **economic**, **social**, **information**, **infrastructure**, **physical environment** and **time** (PMESII-PT) variables and their related impacts, as well as analyzing potential trends across the specific OE being analyzed. The analysis presented in this OEA is based upon open-source research and all information contained herein is UNCLASSIFIED. This OEA is not an official intelligence assessment or intelligence product; nor should it be used in such a manner.

#### OPERATIONAL ENVIRONMENT ASSESSMENT

An OEA is composed of three key sections. Each section is developed to provide a comprehensive and complimentary look at the variables as they apply to Iran. The three sections are: 1) **Variables of the OE**, 2) **Trends Analysis** and 3) **Events List**.

#### SECTION 1: VARIABLES OF THE OE

This section provides a detailed look at the OE in terms of the PMESII-PT variables. The discussion will focus of the key dimensions of each variable as well as each variable's operational impacts. The variables are not limited to simply providing an understanding of an OE; they also represent a compendium of conditions that require management within an OE. Commanders and Soldiers must be prepared to understand and contend with the variables and their impacts.

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<sup>&</sup>lt;sup>1</sup> See TRADOC G2, Operational Environment 2009-2025. <a href="https://dcsint-threats.leavenworth.army.mil/COE/default.aspx">https://dcsint-threats.leavenworth.army.mil/COE/default.aspx</a>

Each variable is populated with information gathered from various unclassified sources. Sources include government research reports, academic analysis, and key think-tank publications. The variables discussed are:

- Political: The political variable describes the distribution of responsibilities and power at all
  levels of governance formally constituted authorities as well as informal or covert political
  powers.
- **Military**: The military variable explores the military and/or paramilitary capabilities of all relevant actors (enemy, friendly, and neutral) in a given OE.
- **Economic**: The economic variable encompasses individual and group behaviors related to producing, distributing, and consuming resources.
- **Social**: The social variable describes the cultural, religious, and ethnic makeup within an OE and the beliefs, values, customs and behaviors associated with the OE.
- **Information**: The information variable describes the nature, scope, characteristics, and effects of individuals, organizations, and systems that collect, process, manipulate, disseminate, or act on information.
- **Infrastructure**: Infrastructure is composed of the basic facilities, services, and installations needed for the functioning of a community or society.
- **Physical Environment**: The physical environment variable includes the geography and man-made structures as well as the climate and weather in the area of operations.
- **Time**: The time variable describes the timing and duration of activities, events, or conditions within an OE, as well as how the timing and duration are perceived by various actors in the OE.

#### SECTION 2: TRENDS ANALYSIS

This section provides a look at possible near-term trends across the OE as they apply to each variable. The purpose is to provide the user with a set of near-term expectations across each variable. Trends analysis can be used to support training events and exercise design.

#### SECTION 3: EVENTS LIST

This section provides a list of real world events which have recently occurred in Iran. The purpose of the list is to provide the reader with specific example of how the variable "plays out" in Iran. Events from the list may be used to aid scenario development or the scripting of events in support of scenarios.

#### POINTS OF CONTACT AND PRODUCT LOCATION

Comments, suggestions and feedback are welcome on this OEA. Please send comments to <a href="mailto:penny.mellies@us.army.mil">penny.mellies@us.army.mil</a>. All OEAs and related products are posted on the following two sites:

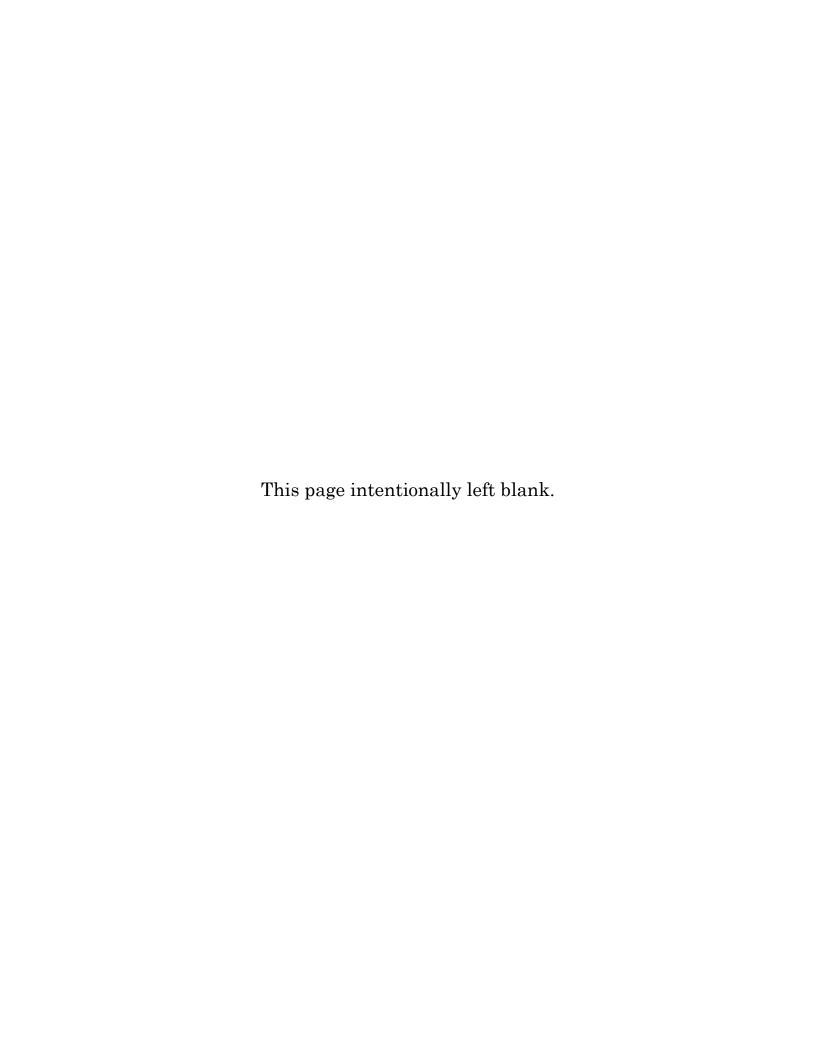
TRADOC G2, TRISA-Threats website at <a href="https://dcsint-threats.leavenworth.army.mil/default.aspx">https://dcsint-threats.leavenworth.army.mil/default.aspx</a> (AKO login required for BCKS)

AKO at https://www.us.army.mil/suite/files/11318389

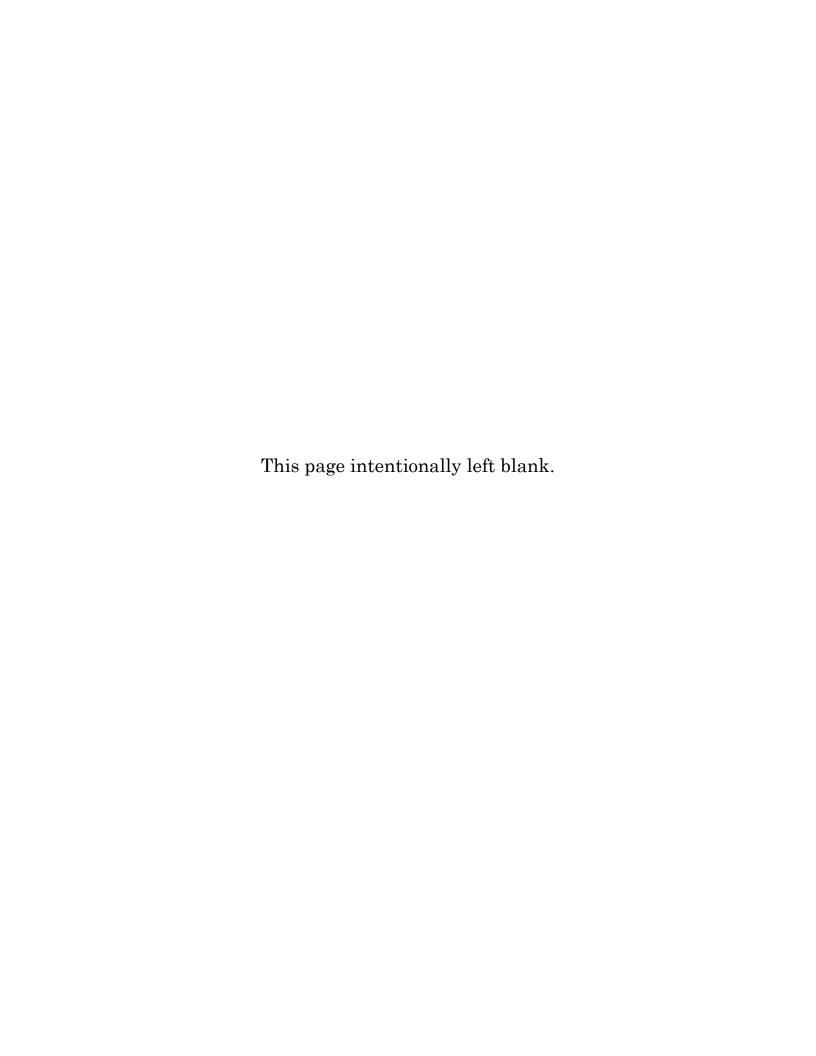
Additional OEAs have been developed for the following OEs:

- OEA 1: Iraq
- OEA 2: Afghanistan
- OEA 3: North Korea

- OEA 6: Horn of Africa
- OEA 7: Pakistan (PowerPoint version only)

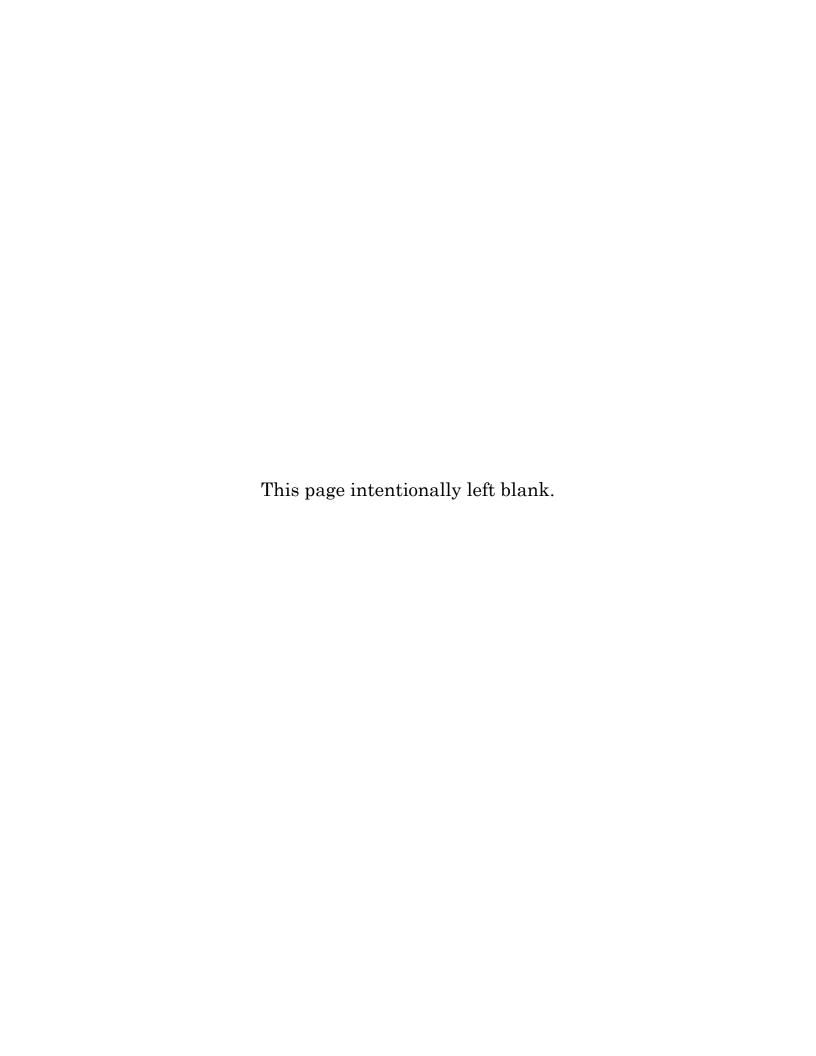


### SECTION 1: VARIABLES OF THE OE



# TRADOC G-2 TRISA-THREATS OPERATIONAL ENVIRONMENT ASSESSMENT TEAM

# POLITICAL



#### **Political**

The political variable describes the distribution of responsibility and power at all levels of governance – formally constituted authorities, as well as informal or covert political powers.

"The wave of the Islamic Revolution will soon reach the entire world."

President-Elect Mahmoud Ahmadinejad, June 2005

#### **KEY FACTS:**

- Supreme Leader Ayatollah Ali Khamenei is Iran's most powerful figure who gives direction to political and social life in Iran through an array of patronage and direct control.
- Khamenei's belief in Iran's power and his protection of Iranian sovereignty creates in him an aversion to compromise.
- Iran uses a broad range of security forces (professional and volunteer) to enforce Iranian state control and ensure clerical superiority in civil society.
- Any appearance of a liberal, representative society is misleading due to limitations built
  into the governing structure which prevents it from having any real influence over the
  clerical authority.
- Iran conducts a realpolitik approach to foreign policy. It exhorts Shia Islamist ideals, but is not averse to working with non-Shia elements to achieve its goals.
- The Islamic Revolutionary Guard Corps (IRGC) plays a large role in Iranian society due to its network of members and ex-members in positions of prominence across the country.
- Iranians are very proud of their heritage, and believe it gives them the legitimacy for an assertive role in Middle Eastern affairs.

#### OPERATIONAL IMPACTS OF THE POLITICAL VARIABLE IN THE OE:

- Outsiders should not mistake internal frustration for a Westernization movement within Iran. As a whole, the country remains suspicious of Western views and wary of Western agendas.
- For Iran's minorities, their struggle with the central government is an effort to escape a "second class" citizen's status.
- Iranians treat foreign involvement with their internal affairs as a residue of colonialization, and will resist any attempts at such.
- Due to their presumptive belief in their leadership in the Middle East, Iranians feel entitled to possess a nuclear capability.
- President Ahmadinejad gains valuable support from the rural element of the population due to his populist polices, and garners significant opposition from more urban regions.

#### POLITICAL OVERVIEW:

A disparate movement overthrew the Shah in 1979. The diverse groups represented a wide range of ideological perspectives that included socialists, the Islamic left, democrats, and the Islamic right. As the dust settled after the 1979 Revolution, the Islamic right, as the most organized and militant group, took the lead to form the new Iranian Government. What began as a revolution against the Shah's corrupt regime provided an opening for the creation of an Islamic Government under Ayatollah Ruhollah Khomeini. Khomeini became the ultimate authority on issues that ranged from

religion, politics, and culture to foreign policy and defense. The new government institutionalized the religious establishment's role in Iran to ensure that the state complied with Islamic precepts. These new institutions worked in parallel with the state bureaucracy that previously existed before the Revolution, but did not replace it. These religious institutions' decisions, however, took precedence over those of the regular bureaucracy and undermined the regular governmental institutions' authority.

#### KEY POLITICAL EVENTS TIMELINE (BBC News)1

**1941:** The Shah's pro-Axis allegiance in World War II leads to the Anglo-Russian occupation of Iran and the deposition of the Shah in favor of his son, Mohammad Reza Pahlavi.

1951, April: Iranian Parliament votes to nationalize the oil industry dominated by the British-owned Anglo-Iranian Oil Company. Britain imposes an embargo, enforces a blockade, and halts its oil exports that damage the Iranian economy. A power struggle erupts between the Shah and Prime Minister Mossadeq which forces the Shah to flee the country in August 1953.

**1953,** August: British and American intelligence services engineer a coup to overthrow Mossadeq. General Fazlollah Zahedi becomes prime minister and the Shah returns.

1978, September: The Shah's policies alienate the clergy and his authoritarian rule leads to riots, strikes, and mass demonstrations. The Shah's government imposes martial law.

1979, January: The Shah and his family are forced into exile.

1979, 1 February: Ayatollah Ruhollah Khomeini returns to Iran after 14 years of exile in Iraq and France for opposition to the Shah's regime.

1979, 1 April: The Iranian people proclaim the Islamic Republic of Iran.

1979, November: Islamic militants take 52 Americans hostage inside the US Embassy in Tehran. They demand the extradition of the Shah, located in the US at the time for medical treatment, to face trial in Iran.

1980, July: The exiled Shah dies from cancer in Egypt.

1980, 22 September: Iran-Iraq war starts and lasts eight years.

**1981,** January: After the Americans elect Ronald Reagan president and on the day of the inauguration, the Iranians released the American hostages after 444 days in captivity.

1985: After the US and Soviet Union halted arms supplies to Iran, the US attempted to win the release of hostages in Lebanon by a secret arms deal that later became known as the "Iran-Contra Affair."

**1988,** July: An American ship, the USS Vincennes, mistakenly shoots down a civilian Iranian airplane that kills 290 passengers and crew.

1989, 3 June: Ayatollah Khomeini dies and, on the following day, President Khamenei becomes Iran's new Supreme Leader.

1989, August: Ali Akbar Hashemi-Rafsanjani becomes the new Iranian president.

1990: Iran remains neutral after Iraq's invasion of Kuwait and throughout Operations Desert Shield and Desert Storm.

1995: US imposes oil and trade sanctions over Iran's alleged sponsorship of "terrorism," their efforts to acquire nuclear arms, and their open hostility to the Middle East peace process. Iran denies the charges.

1997, May: Mohammad Khatami wins the presidential election with 70% of the vote and beats the candidate from the conservative ruling elite.

**1999,** July: Pro-democracy students at Tehran University demonstrate after the government closes the reformist newspaper, *Salam*. Clashes between protesters and security forces lead to six days of riots and the arrest of over a thousand students.

**2000,** February: Iranian Parliament (Majles) elections. For the first time since the 1979 Revolution, liberals and Khatami supporters wrest control of the Iranian Parliament.

**2000,** April: After the adoption of a new press law by the parliament, the judiciary bans 16 reformist newspapers before inauguration of the reformist Sixth Parliament elected in February.

2000, May: Inauguration of the Sixth Parliament.

2001, June: President Khatami re-elected.

**2002,** January: In his State of the Union speech, US President George W. Bush describes Iraq, Iran, and North Korea as an "axis of evil" and warns of the development and proliferation of long-range missiles in these countries. The speech causes outrage in Iran, and reformists and conservatives alike condemn it.

**2002,** September: Despite strong American objections, Russian technicians begin construction of Iran's first nuclear reactor at Bushehr.

2003, June: Thousands attend student-led protests in Tehran against the clerical establishment.

**2003,** September: The United Nations (UN) nuclear watchdog, the International Atomic Energy Agency (IAEA), gives Tehran an ultimatum to prove it is not pursuing an atomic weapons program.

**2003,** November: Iran states that it will suspend its uranium enrichment program and will allow tougher UN inspections of its nuclear facilities. IAEA concludes that no evidence of a weapons program exists.

**2004,** February: In the elections, conservatives regain control of parliament. The hardline Council of Guardians, in accordance with Iranian law, disqualified thousands of reformist candidates prior to the election.

2004, June: The IAEA rebukes Iran for its failure to fully cooperate with an inquiry into its nuclear activities.

2004, November: In a deal with the European Union (EU), Iran agrees to suspend most of its uranium enrichment program.

**2005,** June: Mahmoud Ahmadinejad, Tehran's ultra-conservative mayor, defeats cleric and former president Akbar Hasbemi Rafsanjani in a run-off vote for president.

**2005,** August-September: Tehran says it resumed uranium conversion at its Isfahan plant for peaceful purposes. The IAEA finds Iran in violation of the nuclear Non-Proliferation Treaty.

2006, January: Iran breaks the IAEA seals at its Natanz nuclear research facility.

**2006,** February: The IAEA votes to report Iran to the UN Security Council over its nuclear activities. Iran resumes uranium enrichment at Natanz.

2006, April: Iran reports that its scientists enriched uranium at its Natanz facility.

**2006,** 31 August: The UN Security Council deadline for Iran to halt its work on nuclear fuel passes. The IAEA reports that Tehran failed to suspend its nuclear program.

**2006,** December: The UN Security Council votes to impose sanctions on Iran's trade in sensitive nuclear materials and technology. Iran condemns the resolution and vows to speed up uranium enrichment work.

**2007,** February: The IAEA reports that Iran failed to meet a new deadline to suspend uranium enrichment and thus exposed Iran to possible new UN sanctions.

**2007,** April: President Ahmadinejad reports that Iran can now produce nuclear fuel on an industrial scale. The IAEA reports that Iran began to make nuclear fuel in its underground uranium enrichment plant. The IAEA also reports that Iran began the operation of over 1,300 centrifuge machines.

**2007,** May: The IAEA reports Iran could develop a nuclear weapon in three to eight years if it so chooses.

**2007,** October: The US announces broad new sanctions against Iran, the toughest since it first imposed sanctions almost 30 years earlier.

**2007,** December: The National Intelligence Estimate (NIE) plays down the perceived nuclear threat posed by Iran.

**2008,** March: Conservatives win over two-thirds of seats in parliamentary elections because many pro-reform candidates were disbarred from standing. The conservatives include President Ahmadinejad's supporters and more pragmatic conservatives who oppose his confrontational foreign policy.

**2008,** August: Informal deadline set by Western officials for Iran to respond to package of incentives in return for halt in nuclear activities passes without an Iranian reply.

**2008,** September: Unanimously, the UN Security Council passes a new resolution that reaffirms demands that Iran stop their uranium enrichment program, but imposes no new sanctions. The Security Council agreed on the text only after Russia declared it would not support further sanctions against Iran.

**2009,** May: Iran rejects a US State Department report stating that Iran remains the "most active state sponsor of terrorism" in the world.

**2009,** June: The Iranian Government declares Mahmoud Ahmadinejad as the winner in the 12 June presidential election. The rival candidates challenge the result as they alleged government voterigging. The rival candidates' supporters take to the streets to protest. In the riots that followed, the government arrests more than 1,000 protestors and at least 30 people die.

**2009,** August: Mahmoud Ahmadinejad takes the oath of office for his second term as president. Ahmadinejad presents his cabinet which includes women for the first time since the 1979 Islamic Republic. In response to the civil unrest following the election, the government puts on trial senior opposition leaders accusing them of conspiring with foreign power in fomenting unrest.

2009, September: Iran admits that it began to build a uranium enrichment plant near Qom, but insists it is for peaceful purposes.

**2009,** October: Five permanent UN Security Council members plus Germany offer Iran a proposal to enrich its uranium abroad.

**2009,** November: Iran refuses to accept the international proposal to end the dispute over its nuclear program. The IAEA passes a resolution that condemns Iran for the development of a second uranium enrichment site in secret.

#### US-IRAN RELATIONS<sup>2</sup>

The American and Iranian relationship is characterized by extensive mistrust between the two. Iranians accuse the Americans of pursuing policies that undermine Iranian society, while Americans accuses Iran of supporting terrorism in the Middle East and pursuit of nuclear weapons. These animosities date back decades to American involvement in the coup that overthrew Prime Minister Mossadeq to return the Shah to power in Iran.

#### 1979-1980: Hostage Crisis

The Jimmy Carter Administration (via Deputy Secretary of State Warren Christopher) sought to secure the release of the 52 American hostages in the Tehran embassy through Algerian emissaries. To ratchet up pressure, the US suspended Iranian oil and froze billions of dollars in Iranian assets. The US and Iran agreed to the 1981 Accords that eventually led to the hostages' release and a US promise not to interfere in Iranian politics.

#### 1985-1986: Iran-Contra

A complex three-way arrangement involving the US and Iran aims to get American hostages released from the Iranian supported Lebanese Hezbollah. The Iran-Contra Affair involved the delivery of American-made anti-tank missiles, F-14 airplane spare parts, and other weapons to Iran via Israel. In exchange, Iran would attempt to obtain the release of the hostages in Lebanon and funnel money to the anti-Communist Contra guerillas involved in a civil war with the leftist Sandinista Government in Nicaragua. The latter violated the congressional ban (the Boland amendment) on American governmental support for the Contras.

#### 1988: Tensions in the Persian Gulf

In April 1988, in response to a mine attack against the USS Samuel B. Roberts, the US shells two Persian Gulf oil platforms and sinks an Iranian frigate. In July 1988, the US Navy accidentally shot down an Iranian commercial jet which killed 290 passengers and its crew. It was thought to be an Iranian fighter. The American Government refused to apologize or admit any wrongdoing.

#### 1995: Economic Sanctions

In 1995, American companies and their foreign subsidiaries are prohibited from conducting business with Iran due to sanctions. Additionally, American companies are prevented from assisting in development of Iran's oil or gas fields. The following year, the Iran-Libya Sanctions Act (ILSA) imposed an embargo that set a cap of \$20 million for non-American companies that wished to invest in Iran's oil and gas sector.

#### 1998: Hopes for New Ties

President Khatami called for a "dialogue among civilizations" on CNN. This increases optimism that there will be a thawing of relations with Iran.

#### 2000: A US Apology

In a speech in March 2000, Secretary of State Madeleine Albright apologized for America's role in the 1953 overthrow of Mohammed Mossadeq. Secretary Albright acknowledged the coup that installed the Shah and declared that the action "was clearly a setback for Iran's political development." The Clinton administration partially lifted American sanctions on Persian rugs, pistachios, and caviar, but not on oil and gas. Because Albright's speech ended with a tirade about Iran's domestic and foreign policies, Tehran's theocratic regime responded with a denunciation of the goodwill gesture.

In September 2000, President Clinton and Secretary Albright attended the UN's Millennium Summit and sat in the same room while President Khatami addressed the General Assembly. Albright met with Iranian Foreign Minister Kamal Kharrazi as part of the Six-Plus-Two regional talks on Afghanistan. Envoys from China, Pakistan, Tajikistan, Turkmenistan, Uzbekistan, and Russia also participated in the talks. The talks marked the highest diplomatic contact between the United States and Iran since the 1979 hostage crisis.

#### 2001: Post-9/11 Cooperation in Afghanistan

During the Bonn negotiations to establish a new government and constitution for Afghanistan, American and Iranian diplomats met with other UN members. James Dobbins, the US special envoy to Afghanistan wrote in the *Washington Post*, "None was more [helpful] than the Iranians." Dobbins also added, "The original version of the Bonn agreement . . . neglected to mention either democracy or the war on terrorism. It was the Iranian representative who spotted these omissions and successfully urged that the newly emerging Afghan Government be required to commit to both." 3

Iran worked with the UN to repatriate nearly one million Afghan refugees who resided on its soil and worked with United States, Russia, and India to provide support to the Afghani Northern Alliance.

#### 2003: Iran's Overture

In May 2003, Iran made an overture for comprehensive bilateral talks, evidently approved by the highest levels of the Iranian Government to US officials. Some believe the proposal, conveyed via a Swiss emissary, amounted to a "grand bargain" that included offers of negotiations over Iran's support for terrorist organizations and recognition of Israel's right to exist. Secretary of State Condoleezza Rice said in later congressional hearings that she did not remember seeing any such overture while she was National Security Advisor. Deputy Secretary of State Richard L. Armitage said that the Iranians were putting too much on the table to be realistic.

#### 2004: Powell the Lame Duck

In November, outgoing Secretary of State, Colin Powell, and Iran's foreign minister, Kamal Kharrazi, met at an international conference on Iraq at the Red Sea resort of Sharm el-Sheikh. Reportedly, the two discussed nothing of substance as the Iranians viewed Powell as a lame duck with no real power. After the meeting, Powell predicted that the US would restore normal relations with Iran "in due course."

#### 2006: Ahmadinejad's Letter

President Mahmoud Ahmadinejad sent President George W. Bush an 18-page letter which US officials did not treat as a serious overture that warranted a response. The letter accused Bush of untold atrocities in Iraq and invoked his Christian heritage to change course there. The letter also dipped into conspiracy theories that included suggestions that the US Government deliberately withheld details about the 9/11 bombings. Earlier in the year, the rumblings of direct negotiations

between Iran and the United States on the issue of Iraq, to be held at the behest of US Ambassador to Iraq Zalmay Khalilzad, did not reach fruition and were shelved.

#### CURRENT SITUATION

Iran is struggling with its maturing identity as an Islamic Republic. It has been more than 30 years since the 1979 Revolution, and a large (and growing) part of its population has no historical identity or connection with the Revolution; indeed, many were born after its events. For them, it is just stories told to them by their parents, or even grandparents. Whether it concerns domestic or foreign relations, the debate (its meaning and its ramifications) can be seen in how the populace defines their Islamic Republic; to them, is it *Islamic* Republic or Islamic *Republic*.

#### US Engagement with Iran

President Obama stated his administration will continue with the same objective of previous administrations to contain Iran's strategic capabilities and regional influence. Iran is characterized as a "profound threat to US national security interests," a perception created by Iran's military support to armed groups in Iraq and Afghanistan, the Palestinian group HAMAS, the Lebanese Hezbollah, and especially by its nuclear ambitions in violation of UN Security Council Resolutions. The Obama Administration aims to achieve its goals by the expansion of direct diplomatic engagement with Iran and downplaying potential US military action against Iranian nuclear facilities.

The Obama Administration did not dramatically alter its Iranian policy after the Iranian Government's actions against protesters—who alleged vast voter fraud in the June 2009 Presidential election, in which the Iranian Government declared incumbent President Mahmoud Ahmadinejad the winner. The unrest, however, represented the most serious challenge to date of the regime's authority, and presented the Obama administration with a difficult choice to either continue to engage Iran's Islamic Government or back the growing ranks of the domestic Iranian opposition. So far, the Obama administration continues to back engagement with the current Iranian Government. In October 2009, the US participated in a multilateral meeting with Iran and subsequently pursued a possible agreement with Iran for Russia and France to reprocess some of Iran's low-enriched uranium for medical use. Iran, however, has failed so far to agree to the stipulated technical details of the reprocessing program, casting doubt on Iran's commitment to the deal and sparking renewed discussions from the world community for additional UN sanctions. Any additional UN Security Council sanctions will dovetail on those put in place against Iran since 2006. The UN sanctions generally targeted WMD-related trade with Iran, but also banned Iran from the transfer of arms outside Iran, and restricted financial deals with some Iranian banks.<sup>4</sup>

#### **Iranian Presidential Elections**

On June 12, 2009, following an impassioned campaign between reformist candidate Mir-Hossein Mousavi and incumbent President Mahmoud Ahmadinejad, Iranians voted in the presidential election in record numbers. Shortly after the polls closed, the Interior Minister declared President Ahmadinejad the winner with 62% of the vote. The announcement instigated allegations of vote rigging and election fraud driving supporters of Mousavi into the streets in demonstrations the size of which had not been seen since the 1979 Revolution. The conglomeration of oppositionists rallied around the appellation of the Green Movement and used patriotic symbolism to include the color for Iranians.

Despite the government ban, protests continued for many weeks. International attention focused on Iran's mass arrests, clashes between demonstrators and security forces, and limitations on press freedoms, while the government clamped down on the demonstrations. Regardless of the actual election results, Supreme Leader Khamenei, along with the Revolutionary Guard and the Basij, are

unwavering in their desire to impose the election outcome by force. The crackdown appears effective, even as protestors continue to try to agitate against the government.<sup>5</sup>

Faction	Policy Positions	Leadership	Support Base
Reformers and	- Seek to moderate clerical rule by	Mohammad	Intellectuals
Islamic left	strengthening civil institutions. More	Khatami	
	liberal on social policies.		Youth
	- Inclusive stance towards ethnic and	Mehdi Karrubi	
	religious minorities.		Minority
	- Islamic left favors redistributive economic policies.	Mustafa Mo'in	Groups
	-		Women
Pragmatic Right	- Prefers more technocratic leadership.	Ali Rafsanjani	Government
	- Predominantly Persian focus.		functionaries
	- Supports market-oriented economic		
	reform, including foreign investment		Middle Class
Traditional	- Highly protective of <i>velayet-e-faqih</i> .	Mahmoud	Bazaaris
Right,	- Consolidation of Islamic Revolution at	Ahmadinejad	
Conservatives	home is its highest aim.		Security
	- Suspicious of Sunni ethnic groups.	Ali Khamenei	apparatus
	- Protectionist, populist economic		
	policies.	Ali Akbar	
		Nateq Nuri	
Iranian Political Landscape			
Chart Source: Iran's Political, Demographic, and Economic Vulnerabilities			

#### **Nuclear Power**

In 2002, IAEA began to investigate alleged clandestine nuclear activities by Iran. The agency reported that Iran's activities did violate the IAEA safeguards agreement. The IAEA could not definitively conclude that Iran's nuclear research included a pursuit of nuclear weapons or that it was exclusively for peaceful purposes as the Iranians claim. The IAEA referred the matter to the UN Security Council in February 2006 which in response adopted five resolutions. The UN Security Council adopted the most recent in September 2009 (Resolution 1835).

The Security Council resolutions required Iran to fully cooperate with the IAEA's investigation into its nuclear activities, to stop its uranium enrichment program, to suspend construction of a heavy water reactor and related projects, and to ratify the Additional Protocol to its IAEA safeguards agreement. However, a February 2009 report from IAEA Director-General Mohamed El Baradei to the IAEA indicated that Tehran continued to defy the Security Council's demands by continuing work on its uranium enrichment program and heavy-water reactor program. The Iranian Government signed but did not ratify its Additional Protocol. The Additional Protocol increases the IAEA's authority to conduct inspections to ensure a country's compliance with its fundamental safeguards agreement.<sup>6</sup>

#### ATTITUDE TOWARD THE US

Ayatollah Khamenei has been consistent rhetorically in his hostility toward the United States. Khamenei can be seen trying to preserve the legacy of Ayatollah Khomeini. Khamenei has routinely denounced the United States for its arrogance, greed, and contempt for the Iranian nation. Khamenei also sees the United States as leading a "cultural onslaught" designed to undermine the Islamic Republic. Thus, Khamenei has echoed Khomeini's view that Iran has no need for the United

States and should keep a safe distance from it. It has been suggested that Khamenei intentionally uses this anti-Western ideology to keep reformist elements in check.

No progress was made in thawing US-Iran relations by the end of the 1990s. In fact, in June 2001, the United States publicly linked Iran to the 1996 bombing of the Khobar Towers in Saudi Arabia, which killed 19 American servicemen and injured 372 other Americans. However, the al-Qaeda terrorist attacks of 11 September 2001 provided a new stimulus for interacting with the United States. President Khatami quickly expressed Iran's sorrow for the attacks, which he condemned. In contrast, Ayatollah Khamenei waited a week before publicly commenting, and only condemned the attacks generally, comparing them to other "acts of slaughter," such as Hiroshima, Nagasaki, Sabra and Shatilla, and Bosnia.

Tehran agreed to a US proposal to rescue any American pilots that might be downed on Iranian territory, and consented to allow food and humanitarian assistance to pass through Iran to northern Afghanistan. Additionally, Iran lowered its profile abroad, withdrawing some 700 intelligence and military advisers, including IRGC advisers to Lebanese Hezbollah, a move reportedly sanctioned by the Supreme Leader in his capacity as Commander in Chief. All the while, Khamenei continued his verbal assault on the United States, rebuking President Bush by declaring, "We are not with you and we are not with the terrorists either."

By early 2002, events threatened to derail any potential opening in US-Iran relations. Namely, the United States objected to apparent attempts by Iran to destabilize the interim government in post-Taliban Afghanistan. Washington was also concerned that Iran was harboring al-Qaeda operatives who had fled Afghanistan. Finally, the United States was dismayed by the discovery of a large shipment of arms sent from Iran to the Palestinian Authority aboard the freighter *Karine-A*. It was against this backdrop that President George W. Bush labeled Iran part of an "axis of evil" in his 29 January 2002 State of the Union Address.

The impact of the Bush speech in Iran appears to have been two-fold. As to be expected, Iranians expressed unity and their readiness to defend the country against US attack. Some of this rhetoric, particularly on the part of the IRGC, became quite inflammatory. Reportedly, at President Khatami's request, Ayatollah Khamenei intervened and warned military commanders against interfering in foreign policy matters.<sup>7</sup>

The other major issue that dominates US-Iranian relations concerns nuclear facilities construction and their intended use by Iran. The nuclear program and Iranian politics arguably spans two eras—the Khatami period (2003–2005) and the Ahmadinejad period (2005–present)—which differ in several ways. The earlier period coincided with the height of US power and confidence (and Iranian caution) while the later period coincided with the US preoccupation with Iraq and Iran's renewed confidence. In the first period, a reformist Iranian Government responded to the nuclear dispute when they embraced diplomatic solutions and engaged the US, particularly about Afghanistan. As time went by, however, the Iranian Government found itself under fire from domestic critics who demanded Iran make fewer concessions and take a tougher stance about their nuclear policy. In the second period, the Ahmadinejad government became suspicious of diplomacy and adopted a resistance policy by the refusal to obey most UN Security Council resolutions. The Iranian pro-Ahmadinejad forces co-opted the nuclear issue for domestic, partisan advantage. While the IAEA lauded the previous Iranian nuclear negotiators for compromise, Ahmadinejad attributed the UN Security Council's failure to stop Iran's enrichment program to his own administration's steadfastness.<sup>8</sup>

#### CENTERS OF POLITICAL POWER

Political power in Iran is closely linked with clerical authority. Even though there is a liberal, representative government structure which serves as the voice of the populace, clerical authority supersedes it in giving political direction to the state. Ayatollah Khomeini established an Islamic republic to create a state which is based upon the principles of Islamic law. Each of the state institutions has a clerical body to oversee its operation and ensure it does not deviate from the direction of the clerical community. Additionally, Khomeini established the IRGC and Basij to guarantee that the 1979 Revolution will not be overturned by the military or any popular movement. These organizations have established their own identity and power structures, adapting to the changing environment to ensure their continued relevancy. Indeed, the Basij has played a large role in the suppression of reform protests following the 2009 presidential election.

#### RELIGIOUS/CLERICAL AUTHORITY

In 1979, Ayatollah Khomeini dramatically transformed the Iranian religious and political landscapes and made Shia Islam an inseparable element of the country's political structure. Velayat-e faqih (the rule of the Islamic jurist) became the highest principle. In his 1970 book, *Hokumat-e Islamic Velayat-e faqih*, Khomeini argued *sharia*, or Islamic, law should run government. For *sharia* law to take precedence, an Islamic jurist (*faqih*) must oversee a country's political structure. The constitutional changes that followed the 1979 Revolution created an Iranian Government based on the same three pillars of power as the US—the executive, judicial, and legislative branches. The three branches, however, possessed less power than the Supreme Leader, Ayatollah Khomeini, and religious control.

The 1979 Revolution aimed to terminate the Shah's reign and restore Islamic ideology to Iranian society. Khomeini did more than to reorder the religious hierarchy, but altered the political landscape as he revolutionized Shia Islam. In a series of lectures delivered from his exile in the early 1970s, Khomeini preached that in the absence of the Imam Mahdi—also known as the Hidden Imam or the twelfth imam of the Shia faith—that those with the highest rank among the clergy should run government. Many senior ayatollahs in Iran rejected this new concept, but Ayatollah Khomeini found a receptive audience among young revolutionaries in Qom, Iran's religious center. These converts to Khomeini's idea of government formed the backbone of the movement that later demanded the Pahlavi's regime.

Khomeini's beliefs form the basis of Iran's government. Unlike the US governmental system, church and state are connected and religious precepts form the backbone of Iran's political structure. In appearance, the Iranian governmental structure resembles Western frameworks with clear delineations of power. In practice, however, a small cadre of religious clerics and revolutionary forefathers control the Iranian governmental system. While Iran's massive clerical establishment may dominate religious matters, only a few of the clerics actually wield any political influence. German scholar Wilfried Buchta postulates that of the 5,000 ayatollahs in Iran in 2000, only 80 revolutionary ayatollahs participated in the government and most served at the center of power close to the Supreme Leader. Any "outsiders" who criticize the ruling regime or speak out face harsh consequences.<sup>9</sup>

#### Supreme Leader Islamic Republic

The Assembly of Experts elects the Supreme Leader. Theoretically, the Assembly can dismiss him, but this is unlikely since the Supreme Leader controls who is on the assembly. In Iran, the Supreme Leader is also the Commander in Chief of the armed forces. He appoints the membership of the Supreme National Security Council. The highest ranking commanders serve on the Council. The Supreme Leader appoints half of the 12-member conservative Council of Guardians (currently headed by Ayatollah Ahmad Jannati) that reviews legislation to ensure it conforms to Islamic law, screens election candidates, and certifies election results. The Supreme Leader also appoints the

head of Iran's judiciary (currently Ayatollah Sadeq Larijani). Under the Iranian constitution, the Supreme Leader also possesses the power to remove the elected President. The Supreme Leader appoints the 42-member Expediency Council, set up in 1988 to resolve legislative disagreements between the *Majles* and the Council of Guardians. In 2006, it gained the power to oversee the executive branch. At lower governmental levels, the Supreme Leader appoints Islamic clerics as his personal representatives to each province to ensure theocratic control throughout Iran. (See Annex A: BBC News Personality Profile of Iranian Leaders.)

#### Assembly of Experts

The Assembly of Experts is an 86-member body of senior clerics who elect the Supreme Leader. The clergy appoints its members by popular vote and possesses the power to review the Supreme Leader's work. The assembly possesses the power to dismiss the leader, but never has done so. It is also unclear how carefully the assembly monitors the Supreme Leader's activities as the Iranian government deem all notes from the assembly's biannual meetings as confidential. In September 2007, the assembly elected former president Akbar Hashemi Rafsanjani as its speaker.<sup>11</sup>

#### Council of Guardians

The Council of Guardians consists of 12 members and serves as the Islamic Republic's overseer. The Supreme Leader appoints six theologians and the Majles approves six jurists from a list of candidates selected by the Supreme Judicial Council. Since members of the Supreme Judicial Council consist of clerics controlled by the Supreme Leader, there exists little chance that the candidates selected would share a different viewpoint than the other six directly chosen by the Supreme Leader. The Iranian constitution establishes two primary responsibilities for the Council. As the government's legal experts, the Council reviews each piece of legislation passed by parliament to ensure compatibility with both the constitution and Islamic Law. The Iranian constitution forbids non-Islamic scholars from making a decision on a proposed law's compatibility with Islam. Any legislation they deem incompatible is returned to the Majles. 12

The Iranian Constitution's Article 99 empowers the Council of Guardians to approve candidates' credentials to run for elected office. This includes the Assembly of Experts, President of the Republic, and the Majles. This system allows the Council to eliminate candidates who challenge the current system or vehemently express opposition views. In the early 1980s the council prevented legislation that included numerous land reform initiatives. In 2002 the Council rejected legislation that would limit forced confessions in criminal trials. More recently, the council disqualified hundreds of reformist candidates before parliamentary elections in March 2008 and presidential elections in June 2009. 13

#### **Expediency Council**

In 1988, due to a power struggle between the Majles and Council of Guardians, a constitutional revision created the Expediency Council. This administrative body of 42 clerics, scholars, and intellectuals resolves disputes between the groups, but does not seem to possess any authority until challenges occur. Once the Expediency Council becomes involved in a disagreement, their ruling becomes final. In 2006, the Expediency Council received the power for the oversight of and reviews the executive branch's (cabinet) performance.<sup>14</sup>

#### IRGC (PASDARAN)

Ayatollah Khomeini created the Islamic Revolutionary Guards Corps (IRGC) shortly following the 1979 Revolution. In addition to its role as ideological guardian of the Islamic ethos of the Revolution, it has evolved into an expansive socio-political-economic conglomerate. All facets of Iranian political life and society bear IRGC influence. Highly characterized by a populist, authoritarian, and assertive

vision of the Iranian state, the IRGC believe they represent the most faithful reflection of the 1979 Revolution. The IRGC's presence plays a powerful role in Iran's highly factionalized political system, in which the president, much of the cabinet, many members of parliament, and a range of other provincial and local administrators hail from the IRGC ranks. Outside the political realm, the IRGC oversees a robust apparatus of media resources, training activities, and educational programs designed to bolster loyalty to the regime, prepare the citizenry for homeland defense, and burnish its own institutional credibility vis-à-vis other factional actors. The IRGC, however, has expanded more into the economic sphere than any other. Its growth and diversification, including strategic and commercial services, range from dam and pipeline construction, to automobile manufacturing, to laser eye surgery. The IRGC also participates in a number of illicit activities to include smuggling and black markets.

In addition to being a paramilitary organization with an army, navy, and air force, it is also a prominent domestic actor. The IRGC does not possess a monolithic attitude, and features internal differences and factionalism. Certainly, elements of the IRGC present worrisome threats to US strategy, most notably in the areas of adaptive naval tactics, intermediate-range ballistic missiles, and terrorist support. To policymakers and analysts concerned with the broader trajectory of the Islamic Republic of Iran—the internal roots of its external behavior and the sources of its durability and weakness—may view the IRGC as a deeply entrenched domestic institution. Arguably, the IRGC's internal role within Iran overshadows its significance as a purely military force. <sup>15</sup>

The IRGC contains approximately 120,000 active personnel serving in its army, navy, and air force for providing internal security, external defense, and regime survival. Reflected in its original design to defend the Revolution, IRGC installations in all major Iranian cities serve as a reserve quick reaction force against civil disturbance. In rural areas, the IRGC operates with other security forces in missions that include border control, counternarcotics, and disaster relief. The IRGC maintains control over Iranian unconventional warfare options, retains control over the development and deployment of Iran's ballistic missiles, and wields an external terrorism presence through its elite Quds Force. If Iran developed and fielded nuclear weapons, the Iranian Government would most likely select the IRGC to store, train, and deploy the weapons.<sup>16</sup>

The IRGC remains susceptible to factional debates between dogmatic and more pragmatic groups and over the "opportunity costs" inflicted by Iran's isolation. Iranian leaders hotly contest the IRGC's politicization. While many feel that the IRGC should participate in the political process, those opposed to the IRGC politicization marshal the authority of the Ayatollah Khomeini (who seemed to emulate the views of the former Shah on this issue) of the wariness of the army's interference in politics.<sup>17</sup>

#### **Quds Force**

Brigadier General Qassem Soleimani commands the IRGC Quds Force (also known as Qods Force or Jerusalem force) directed to carry out unconventional warfare and intelligence activities. This organization gives Iran the ability to carry out operations through its proxies in many Middle Eastern countries and elsewhere. Analysts do not know the Quds' exact size, but estimate roughly 1,000 members, although there are claims of greater numbers. The Quds Force supports nonstate actors in many foreign countries that include Lebanese Hezbollah, HAMAS and the Palestinian Islamic Jihad in the Gaza Strip and the West Bank; the Shia militias in Iraq, and Shias in Afghanistan. Reportedly, the Quds possess links to Sunni extremist groups like al-Qaeda, but such links are never convincingly confirmed.<sup>18</sup>

The Quds maintain offices or "sections" in many Iranian embassies, which are not open to regular staff. It is not clear whether the Iranians integrated the Quds with regular Iranian intelligence operations or if the ambassador in each embassy controls or even know the details of the Quds staff

operation. Indications appear that most Qud operations coordinate with the IRGC, the Iranian Foreign Ministry, and Ministry of Interior. 19 (For more information see the Military variable.)

#### Basij (Mobilization of the Oppressed)

Like the IRGC, the Basij force grew out of the 1979 Revolution created by Ayatollah Khomeini. On 1 January 1981, the IRGC received command of the Basij. The Basij consists of a popular active reserve force of about 90,000 men, reserve strength of up to 300,000, and a mobilization capacity of nearly 1,000,000 men. It consists of 740 regionally commanded battalions that contain about 300-350 personnel each. In the mid-1990s, the Basij role became riot control and internal security. In addition and perhaps more importantly, it became the IRGC's reserve force. President Ahmadinejad garners much of his support from the Basij, and used it to suppress the civil demonstrations after the June 2009 presidential elections.<sup>20</sup>

#### **BONYADS**

Bonyads are quasi-governmental trust foundations which operate as private holding companies. Many of the Bonyads predate the Revolution, operating as custodians of Shia holy sites in Iran. Since 1979, their influence has grown to their current status with significant economic and political influence. The Bonyads serve as a major means of influence in Iran through their ability to redistribute income and dole out patronage. Analysts estimate that these foundations control as much as 40% percent of Iran's non-oil economy. Experts approximate that the largest Bonyad, the Foundation of the Oppressed, has amassed \$12 billion in assets and employs 400,000 workers. The Bonyads possess officially prescribed duties to include support for disabled war veterans, spreading Islam, and assistance to the poor.

After the Revolution, Bonyads focused on the management of the confiscated assets of the Shah and his supporters. Bonyads operate as nonprofit agencies and are exempt from government taxes. Bonyads control many important sectors of the Iranian economy, including commerce, manufacturing, and industrial sectors. The Supreme Leader provides the only oversight for their activities. The Bonyads benefit from a lack of transparency regarding its finances; no statistics regarding its assets, the amount of state funding received, nor the amount of contributions made to them are open to the public.

Led since 1979 by Ayatollah Abbas Vaez-Tabazi, the Imam Reza Foundation operates as one of Iran's largest Bonyads. Over the years, wealthy and pious Iranian citizens bequeathed their property when they died. Now, it owns 90 percent of the arable land in the region of Mashad in northeast Iran. The foundation owns other assets that include entities as diverse as universities and a Coca-Cola plant. Ayatollah Vaez-Tabazi's influence runs much deeper than his corporate interests. He is a member of the Assembly of Experts with ties to Ayatollah Khamenei through the marriage of their children.

The Bonyads receive preferential lending treatment from state-owned banks due to their political clout. These advantages over non-Bonyad enterprises stifle competition in the marketplace and inhibit innovation and modernization. Due to the Bonyad's profits and political influence, they desire few economic reforms that might hurt them financially, which makes reform difficult to implement. It is in their interest to perpetuate the conservative regime which does not want to amend the economic policies and means of Iran. Any attempts at reform through liberalization of the economic regime could severely impinge on their economic interests.<sup>21</sup>

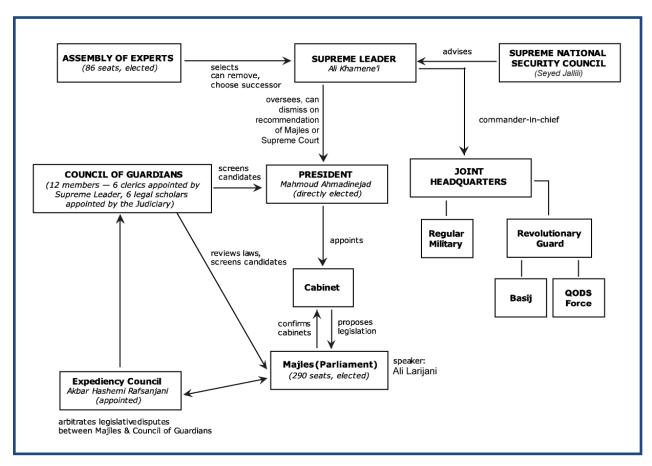
#### INTERNAL SECURITY

The internal security forces consist of approximately 40,000 police under control of the Ministry of the Interior. These units participate in internal security and border protection. The maritime

component possesses 90 patrol and 40 harbor boats. Four hundred women comprised the first group of female members of the police force since the Revolution. $^{22}$ 

#### Type of Government

Following the 1979 Revolution, Iran's government resembled a Western, liberal structure with branches of government based along lines found in most liberal countries. However, there is a parallel structure of clerical organizations (Assembly of Experts, Council of Guardians, Expediency Council) established to oversee and intervene in the decisions and actions of the branches to ensure they do not diverge from clerical approval. Through this parallel structure, the clerical community can control the government, but does not have to be the only organization providing daily administration.



The Structure of the Government of Iran Source: Congressional Research Service<sup>23</sup>

#### THE IRANIAN CONSITITUTION

After the Revolution, Iran approved a new constitution. In 1989, the Iranians amended the constitution to expand presidential powers and to abolish the Prime Minister's position. Iran exists as a theocratic republic consisting of three branches: legislative, executive, and judicial. The *faqih* (an expert in religious law) serves as the head of the government as the Supreme Leader. Secular

leaders, religious leaders, and the three branches govern Iran. *Sharia* law forms the Iranian legal system, and all citizens 18 and older can vote.<sup>24</sup>

#### Branches of Government

The Iranian Government is divided into three branches. However, it is only a unicameral legislature, vice bicameral. In this system, the executive branch wields the lion's share of federal power. The legislative and judicial branches are limited in their role to check the president. Legislation from the Majles has to be approved by the cleric-controlled Council of Guardians, and judicial branch appointees have to be clerics who use *sharia* law as a basis for adjudication. Through the appointment structure for the judicial branch, and oversight on who may run for legislative office, the clerical community—headed by the Supreme Leader—controls the people who may occupy or run for office, thereby assuring those who are approving of his beliefs/positions.

#### Legislative Authority

Iran's legislative assembly is the voice of the Iranian population. However, there are considerable checks on that voice to ensure that it does not jeopardize the authority of the clerical establishment. It possesses much of the nomenclature of a liberal, even democratic, institution, but in reality its power is quite limited.

#### **MAJLES**

This legislative branch consists of a 290-member unicameral body, the Majles, which represents all 30 of Iran's provinces. Citizens elect members by popular vote with secret ballots to serve four-year terms. The Iranian constitution directs that the Majles draft legislation, ratify international treaties, and approve the national budget. The Council of Guardians must approve all candidates that run for the Majles. The constitution reserves a number of Majles seats for religious minorities. These include two seats for Armenian Christians, one for Assyrian Christians, one for Jews, and one for Zoroastrians. The Majles also appoints six members to the Council of Guardians.

The Council of Guardians must review all legislation passed by the Majles. The Council, all lawyers, ensures that legislation remains consistent with the constitution and Islamic principles. The Council of Guardians returns bills that do not meet the requirements back to the Majles for revision. In 1987, the Supreme Leader established the Expediency Council to resolve disputes between the Majles and the Council of Guardians.<sup>25</sup>

In the 2008 election, the Council of Guardians barred hundreds of reformist candidates from running for office, political interference that drew widespread criticism from international monitors. Conservatives now dominate parliament. In the last two decades, the clerical makeup in the Majles has also changed. In the early 1980s, clerics made up 51% percent of the Majles. By 2002, clerics composed just 12% of the Majles.<sup>26</sup>

#### **Executive Authority**

Only second in authority to the Supreme Leader, the Iranian President controls the Iranian national government's operation and wields power through leadership and patronage of the ministries to exercise control down to the 30 provinces.

#### PRESIDENT

Presidents may serve two four-year terms with an option to run for a third nonconsecutive term. Presidential candidates must satisfy six key qualifications outlined in the constitution. Some objective qualifications include that the candidate is an "Iranian national" and of "Iranian origin."

The other subjective qualifications include that the candidate must possess a "good past record," "trustworthiness and piety," and a "conviction in the fundamental principles of the Islamic Republic of Iran." The Guardian Council reviews all candidates to see if they meet the requirements for president. Out of the nearly 500 people who registered as prospective candidates for the June 2009 race, the Guardian Council approved just four for inclusion on the ballot. Out of 1,014 potential candidates in 2005, the council chose only eight. In both 2005 and 2009, the Guardian Council blocked all female candidates from running for president.<sup>27</sup>

The presidential candidate must receive an absolute majority of the popular vote. When no candidate reaches the simple majority, the government conducts a run-off election one week later between the two candidates who received the most votes in the first round. Only registered voters can vote on Election Day; Iran's top election official said 46.2 million were eligible to vote in the June 2009 election, about 70% of the population. In June 2009, the voting age was raised from 15 to 18.28

Responsibilities and powers of the president include selection of cabinet ministers, signing laws into effect, vetoing Council of Ministers (cabinet) decrees, constitution implementation, appointment and supervision of the Council of Ministers, coordination of government decisions, and selection of government policies for placement before the Majles. Officials under the president include 8 vice presidents and 21 cabinet ministers, whom the president selects but require Majles approval. The Iranian president also serves as the Supreme Council for National Security president. The Majles can impeach the president by a two-thirds vote if approved by the Supreme Leader. Iran's president is the only modern chief executive who is not his country's military's commander in chief.<sup>29</sup>

Most observers see the Iranian president's office as more powerful today than when first established three decades ago. In the Islamic Republic's early years, the constitution limited presidential powers for fear of a possible coup. The country's first president, Abol Hassan Bani Sadr, immediately ran into policy disagreement with Prime Minister Mohammad Ali Rajai. Mohsen Milani, an expert on Iran's presidency at the University of South Florida, writes in the British Journal of Middle Eastern Studies that Bani Sadr "tried to create an imperial presidency, to make his office independent and powerful." Bani Sadr failed because the regime's supporters marginalized him and in 1981 he fled to France. Rajai succeeded Bani Sadr, but served just two weeks in office before his assassination for which no one claimed responsibility. In 1981, Ali Khamenei's election as Iran's third president restored order to the executive branch, but Khamenei (now Iran's Supreme Leader) operated in the shadow of Ayatollah Khomeini and "remained a weak and uncontroversial president." During Khamenei's presidency, Prime Minister Mir-Hossein Mousavi received credit for strong leadership, especially on economic matters.<sup>30</sup>

After the elimination of the Prime Minister's position in 1989, Iran consolidated all executive duties with the presidency. Since then, presidential powers ebbed and flowed dependent on the office holder. Due to his personal relationships and political charisma, some observers consider Ali Akbar Hashemi Rafsanjani an effective president. This dynamic changed with Mohammad Khatami's election in 1997. "Khatami didn't have that kind of relationship with the Supreme Leader" that Rafsanjani did, says Milani, and "during that period the presidency wasn't that powerful." Ahmadinejad restored the presidential political influence commanded by Rafsanjani with his election in 2009 and Milani stated, "The Supreme Leader has started to give [Ahmadinejad] some room to maneuver, especially on domestic issues."

#### **Judicial Authority**

The Judicial High Council serves as the highest judicial office in Iran. Its five members include the Chief Justice of the Supreme Court, the State Prosecutor General, and three other lawyers certified in Islamic law. A panel of religious jurists selects the members. Responsibilities include the establishment and the administration of the Ministry of Justice Departments to deal with civil and criminal offenses, preparation of draft bills that affect the judiciary, and supervision of judicial

appointments. The Judicial High Council also compiles a list of candidates that the president uses to select his Minister of Justice, who supervises the daily operation of Iran's courts.<sup>32</sup>

Constitutionally, Iran's judiciary serves as an independent branch of the government. The Iranian Constitution, however, holds judges "duty bound to refrain from executing governmental decisions that are contrary to Islamic law." Just after the 1979 Revolution, the Clerical establishment overhauled the entire judicial system and brought criminal and civil code in line with Islamic law. All senior members of the judiciary must received certification as Islamic scholars with the ability to render rulings and interpretations based on the Koran, the traditions of the prophet (Sunna), and other Islamic rulings. Essentially, Shia clerics serve as judges.

Under Iran's legal system, judicial authority rests with the judge who both investigates crime and serves as prosecutor with no trials by jury. When an accused person stands trial for something not expressly forbidden by the legal code, the judge issues a sentence based on his interpretation of Islamic law and custom.<sup>33</sup>

#### COURTS

Traditional courts handle civil and basic criminal offenses while revolutionary courts handle those viewed as a threat to the Islamic Republic. Special courts handle offenses in the clerical community, military community, and press community. The Supreme Court performs both as an appellate and review function for lower courts.

Revolutionary courts notoriously violate nearly every international standard of fairness and jurisprudence. Defendants rarely receive access to counsel and can receive pretrial detentions for extended periods of time. These judges often convict people with undefined crimes like "antirevolutionary behavior," "moral corruption," and "siding with global arrogance." Revolutionary court defendants do not possess any right to confront accusers and trials often last a mere five minutes.

The religious community operates the clerical courts. The Supreme Leader oversees this court, yet it is not identified in the constitution or answerable to the judiciary. The regime uses this court to punish clerics for controversial ideas, which is a euphemism for concepts which advocate change.<sup>34</sup>

#### LOCAL/REGIONAL GOVERNMENT

Iran is divided into 30 provinces (ostans) that are subdivided into a total of 314 counties (sharestans). Sharestans generally share the name of the largest town within their boundary. Each sharestan contains districts (bakhshs) and each bakhsh contains several rural districts (dehestans). The average rural dehestan encompasses several villages and generally covers about 1,600 square kilometers.

Much of the Shah's federal administrative structure remains intact. The Interior Minister appoints a governor general (ostandar) for each ostan and a governor (farmandar) for each sharestan. Since 1999, citizens elect their district chiefs (bakhshdars), rural chiefs (dehyars), and village chiefs (kadkhudas) as well as their councils. Although the pre-revolutionary structure remains the same, governor's generals no longer possess the power at the ostan level they held before 1979. Local prayer leaders (Imam Jomehs) exercise considerable political authority because they head both the local revolutionary committee (komiteh) and the IRGC.<sup>35</sup>

#### GOVERNMENT EFFECTIVENESS AND LEGITIMACY

Since the Revolution, Iran has worked hard to establish identity as the valid and legitimate government of Iran. The reaction against the Shah was widespread and deep, and the population accepted the legitimacy of the new regime quickly. The Iranian Government furthered already established social programs and began additional ones to increase the welfare of the state and citizens. Government subsidies funded programs for education, health, living conditions and other areas to improve the Iranian standard-of-living. These programs have largely been successful resulting in a significantly broad and educated middle class. Any possible Iranian Government meddling with these government programs or subsidies has brought out the population in protest to prevent any reduction in such benefits; most recently large demonstrations have prevented the lifting of the significant fuel subsidies enjoyed by the populace.

Internationally, Iran has established its legitimacy, despite the establishment of a nuclear program under international sanctions. After the 1979 Revolution, foreign policy suffered the consequences of Khomeini's militant ideology. Iran did not begin to improve international relations until 1997 when Khatami became president. In recent years, "reformists" successfully tempered the government's previous militant message to pursue long-standing national interests and achieve a degree of regional stability. Khatami attempted to strengthen Iran's relationships with Japan and Western European nations that oppose the Iran-Libya Sanctions Act, a US law that essentially provides significant penalties to companies and governments that make significant investments in Iran's energy sector. These US sanctions successfully affected Iran's petroleum-based economy as it prevented large scale improvements and technological advancements.

On more than one occasion, Khatami and his government expressed interest that Iran wanted to normalize relations with the US, particularly in the early stages of the war against the Taliban. Iran's inclusion in the "axis of evil", however, signaled the end to Iran's normalization efforts. Iran's likely support of insurgent forces and Shia militia groups in Iraq and its long-term support for Palestinian groups in Israel signaled the triumph of Iran's clerics' conservative agenda. Iran's international relations with most European nations continue to deteriorate due to the Islamic Republic's nuclear program for its allegedly peaceful domestic uses.

Iran enjoys relatively good relationships, especially with regard to military cooperation, with China, India, and Russia. Relationships with Pakistan and Turkey, while not "close," demonstrate Iran's desires to improve relations with its regional neighbors.<sup>36</sup>

#### CENTRAL ASIA

For Central Asia, Iran is focused on guaranteeing its access rights to the Caspian Sea. Azerbaijan contains a mostly Shia Muslim populace, but enjoys secular leadership. Azerbaijan has an ethnically Turkic population, and Iran fears that Azerbaijan nationalists might stoke a separatist feeling among Iran's large Azeri Turkic population as some did in 2006. As a result, Iran generally leans toward Armenia (despite its Christian identity) as demonstrated in the conflict between Armenia and Azerbaijan over the Nagorno-Karabakh enclave.

In 2001, a British petroleum ship working in conjunction with Azerbaijan was threatened by Iranian naval and air forces as it sailed in an area Iran deems as waters under its purview. The US reacted against the activity and blamed Iran. Consequently, the US and Azerbaijan cooperate on border security issues. Iran has been given observer status in the Central Asian security group, the Shanghai Cooperation Organization whose members include Russia, China, Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan. Iran applied for membership in the organization which has a history of opposition to US interests in the region.<sup>37</sup>

#### PAKISTAN

In the recent past, the internal situation in Afghanistan drove Iran's relations with Pakistan. In the early 1990s, Iran began to cooperate militarily with Pakistan and benefitted from Pakistan's A.Q. Khan network in building up Iran's nuclear program. State relations, however, became strained toward the end of the decade as Pakistan supported the Taliban who committed crimes against Shia Afghans (Hazara tribe) and seized control of Persian-speaking areas of Afghanistan. In late 2009, relations worsened when Iran accused Pakistan of giving aid to Sunni Muslim rebels (Jundullah) in Iran's Baluchistan region. These Sunni guerrillas have conducted a number of attacks against Iranian state elements.<sup>38</sup>

#### **AFGHANISTAN**

The US perceives that Iran wants to pursue a multi-track strategy when it comes to Afghanistan. Iran wants to help develop Afghanistan, increase its influence there, but also provide arms to anti-US militant groups to build leverage against the US. The US believes that Iran wants to restore some of its traditional influence in eastern, central, and northern Afghanistan where Persian-speaking Afghans predominate.

The 2008 US State Department terrorism report again alleges that the Quds Force supplied various munitions to the Taliban and other Afghan militants. Some Taliban leaders openly state they received Iranian weapons. Additionally, for the first time, the 2008 report argues that Iran trained Taliban fighters in small unit tactics, small arms use, explosives, and indirect weapons fire. On 17 April 2007, the US military in Afghanistan captured an Iranian weapons shipment reportedly bound for Taliban fighters. US commanders in Afghanistan argue that the Iranian Government must know about the intercepted shipments due to their large size. US and Afghan officials state that the smuggling continues, but the lack of consistency and small size will not make it decisive in the Afghanistan war.

This smuggling generated much debate among analysts over Iran's goals due to the historic opposition Iran had toward the Taliban regime regarding its persecution of Shia Muslims in the country. In 1998, the Taliban regime captured and killed nine Iranian diplomats nearly precipitating an Iranian attack in response. In addition, in the early stages of the war in Afghanistan, the US and Iran participated in low-level cooperation. Iran said it would offer rescue services to downed US pilots and both countries cooperated during the Bonn Conference in 2001, working to establish a new Afghan constitution and government.

After 2004, Iran's participation in Afghanistan was diminished as other Afghan political groups marginalized the Northern Alliance leaders in Afghan politics, the leaders that Iran had been supporting. To reassert its role in Afghanistan, Iran pushed funding (approximately \$1.2 billion for reconstruction projects to assist in the reconstruction of infrastructure and schools).

Some US commanders, including the CENTCOM Commander General David Petraeus, stated that US engagement with Iran on Afghanistan might help American stabilization efforts there. Others say that cooperation with Iran on Afghanistan might help build a broader understanding with Iran on other issues that might include the nuclear issue.<sup>39</sup>

#### IRAQ

Strategically speaking, Iran benefitted from the deposing of Saddam Hussein and the remaking of the Iraqi governing system. There had been historical tension between the two regimes which erupted in the Iran-Iraq War in 1980-88. It centered on issues related to oil resources and access to the Shatt al-Arab waterway and its link to the Persian Gulf. With Saddam Hussein gone, it relieved the tension with Iran's eastern neighbor.

Following Saddam's removal from power, Iran sought to influence Iraqi internal politics as much as possible. Iran supported the Shia elements of Iraqi society giving them support in preparation for the democratic elections which would determine the future of Iraqi politics. Sixty percent of the population in Iraq is Shia, mostly congregated in the southern provinces neighboring Iran. This virtually ensured that Iran, through its influence of Shia political parties, would have a significant role in the future of Iraq. Iran assisted in the creation of the Shia Islamist bloc ("United Iraqi Alliance") that included the Islamic Supreme Council of Iraq (ISCI), the Da'wa (Islamic Call) party, and the faction of the cleric Moqtada Al Sadr. On 15 December 2005, this formidable bloc won 128 of the 275 seats in the election for the first full-term parliament. Da'wa senior leader Nouri al-Maliki became Prime Minister, several ISCI figures took other leadership positions, and five Sadrists received ministerial posts.

The IRGC recruited, trained, and armed the ISCI's militia (Badr Brigades). Before the US-led invasion of Iraq, Badr Brigades conducted attacks from Iran into southern Iraq against Baath Party officials, but could not shake the regime. After Saddam's fall, Iran continued to provide political, financial, and military support to ISCI and the 15,000 members of the Badr Brigades militia.

During the sectarian violence, Iran supported the Shia militias in their fight against coalition forces and Sunni extremists. This violence escalated following the February 2006 bombing of the Al Askari Mosque in Samarra, one of the most holy places for Shia Islam. Baghdad became the center of the sectarian violence as its population slowly turned from an historic Sunni majority to a Shia majority during the course of the violence. Particularly extreme were the fighters belonging to Jaysh al-Mahdi (JAM) under the leadership of the young cleric Moqtada al Sadr. His relatives have deep connections with the Iranian regime, including Ayatollah Khomeini.<sup>40</sup>

By 2007, Prime Minister Maliki and the ISCI recognized the need to cooperate with the US troop surge to establish greater stability and order in Iraq, consequently by suppressing their main power rival, JAM. Iraqi forces, dominated by Badr members loyal to Maliki's faction, battled with JAM for control, while US and British forces exercised more influence in the southern provinces. Due to the increased pressure, Sadr fled to the safe haven of Iran. Sadr declared a cease fire which was extended indefinitely by the end of 2008.<sup>41</sup>

Debate exists as to whether Iran has reduced or increased its influence in Iraq in recent years. The political parties directly supported by Iranian elements fared poorly in the January 2009 provincial elections. However, others argue that it has merely moved into a more normative and legitimate phase. Iran has signed a number of agreements with Iraq, including energy cooperation, transportation, and border security. President Ahmadinejad has visited Iraq on several occasions, and in return Prime Minister Maliki has visited Tehran. One of the main topics in their discussion is Iraq following the departure of US combat forces and the role the US will play in Iraq's future. 42

#### MIDDLE EAST SUNNI ARAB NATIONS (PERSIAN GULF STATES)

The Gulf Cooperation Council (GCC), consisting of Saudi Arabia, Kuwait, Bahrain, Qatar, Oman, and the United Arab Emirates, dread Iran's increased strategic influence, but they do not overtly condone any US conflict with Iran which might draw in Iran's neighbors. Since the mid-1990s, Iran attempted to allay Gulf state fears as the Islamic Republic curtailed activity they conducted during the 1980s and early 1990s which sponsored Shia Muslim extremist groups. Iran discovered that these activities caused the Gulf States to grow friendlier with the US. To avoid further tensions with Iran, the GCC leaders invited Ahmadinejad to speak at the December 2007 GCC summit in Doha, Qatar which marked the first time an Iranian president received an invitation since the GCC's 1981 formation. Ahmadinejad's speech repeated a consistent Iranian theme that the Gulf countries to include Iran should set up their own security structure without the help of "outside powers" and also called for a "new chapter" in Iran-GCC relations.<sup>43</sup>

#### Saudi Arabia

Many analysts keep a close watch on the relationship between Iran and Saudi Arabia. Saudi Arabia acts as the presumptive leader of the Sunni Muslim world, while Iran does the same for the Shia community. This conflict of leadership of Islam serves as a bellwether for greater Middle Eastern relations.<sup>44</sup>

In the 1980s, Iran sponsored predominantly disruptive demonstrations during the annual Hajj pilgrimages to Mecca. Iran also served as the chief sponsor of Shia dissident movements in Saudi Arabia, primarily through a pro-Iranian Saudi Hezbollah. In the late 1980s, Saudi Arabia severed diplomatic relations with Iran, but restored them in 1991, which led to significant high-level contacts in Khatami's presidency. President Khatami visited Saudi Arabia in both 1999 and 2002. These trips suggest that Saudi Arabia moved beyond their religious differences with Iran in order to pursue a more peaceful coexistence The Saudis do not want to return to the disruptive years of the 1980s. Saudi Arabia remains receptive to a continuing easement of tensions with Iran.

However, since President Ahmadinejad assumed power, Iran's foreign policy has been characterized as triumphalist, with Ahmadinejad acting as the presumptive leader of the pan-Arab cause. With this perception by its regional neighbors coupled with its defiance of the West on nuclear research, Iran may acquire an appeal that transcends sectarian differences. This appeal contrasts significantly with that of Saudi Arabia whose regional neighbors perceive as too cautious and deferential to the West. The Saudi Arabian Government also faces an internal anti-Shia pressure from their own Salafi clerical establishment. The Salafi clerics, however, knowingly harnessed this rhetoric to deflect Iran's more populist and anti-status quo appeal. Saudi Arabia's own Shia population experienced the consequences of this sectarian strategy. At the same time, both Saudi Arabia and Iran demonstrate a desire to dampen sectarian tensions, if only to achieve larger political and strategic aims. 46

#### United Arab Emirates (UAE)

The UAE remains suspicious of Iran following the Iranian seizure of the Persian Gulf island of Abu Musa in 1992. The two countries had shared the island since a 1971 bilateral agreement. In 1971, Iran seized two other islands (Greater and Lesser Tunb) from the Ras al-Khaymah emirate, as well as part of Abu Musa from the Sharjah emirate. The UAE, particularly Abu Dhabi, supports US efforts to hinder Iran's nuclear ambitions through international sanctions. Abu Dhabi generally takes a harder line against Iran than does Dubai which maintains business ties to Iran and where up to 300,000 residents of Iranian descent live. The UAE wants to refer the islands' dispute to the International Court of Justice (ICJ), but Iran insists on bilateral resolution. In July 2008, the UAE formally protested Iran's construction of a maritime and ship registration office on Abu Musa. The United States supports the UAE proposal to decide the issue through the ICJ, but takes no formal position on sovereignty. In May 2007, to avoid antagonizing Iran, UAE received Ahmadinejad as the highest level Iranian visitor since the 1979 Revolution, and allowed the Iranian president to lead an anti-US rally of, reportedly, several hundred Dubai Iranian-origin residents.<sup>47</sup>

#### Qatar

Qatar does not seek confrontation with Iran and strives to accommodate some of the Islamic Republic's interests, but Qatar remains wary that Iran might eventually seek to encroach on its large natural gas field in the Gulf (North Field). Qatar shares the North Field with Iran (called South Pars by Iran), and Qatar generates large gas revenues from it. On 26 April 2004, Qatar's trepidations heightened when the Iranian Deputy Oil Minister said that Qatar appears to produce more gas than "her right share" from the field and that Iran "will not allow" others to use its energy wealth. These concerns probably prompted Qatar to invite Ahmadinejad to the December 2007 GCC summit in Qatar to discuss relations between the two countries.<sup>48</sup>

#### Bahrain

Although Bahrain is about 60% Shia, the Sunni Al Khalifa family dominates the government. Twice, Bahrain has publicly decried Iranian attempts to support Shia dissidents in Bahrain. Bahrain argues that these groups (Islamic Front for the Liberation of Bahrain, Bahrain Hezbollah) possess ambitions to overthrow the ruling family. In July 2007, Iranian editorialists proclaimed that Bahrain belongs to Iran; the subject of a UN referendum in 1970 in which the population chose independence. Additionally, in 2009, Ali Akbar Nateq Nuri, an advisor to Khamenei, stated that Bahrain was considered a province of Iran.

In spite of this antagonism, the banking sector of Bahrain does not want to antagonize Iran's presence in their financial industry. Many Iranian banks have offices in Bahrain and their presence serves as an important vehicle for Iran's financial sector.<sup>49</sup>

#### Oman

The Sultanate of Oman maintains the closest political ties to Iran and refuses to criticize Iranian policies. It is alleged that local Omani officials routinely ignore or even assist in Iranian smuggling. In early August 2009, Sultan Qaboos made a state visit to Iran that coincided with Ahmadinejad's inauguration as president.<sup>50</sup>

#### ISRAEL AND PALESTINIAN MILITANT GROUPS/HAMAS

The US State Department has long accused HAMAS and other Palestinian militant groups (Palestinian Islamic Jihad, the Al Aqsa Martyr's Brigades, Popular Front for the Liberation of Palestine-General Command) of undermining the Israeli-Palestinian peace process. Iranian elements assist in this undermining effort by providing aid to the various groups, despite their identification with Sunni Islam. Iran's position in the region gained strength when HAMAS won a victory in the January 2006 Palestinian legislative elections, and even more so with the takeover of the Gaza Strip by HAMAS forces in summer 2007. However, the Sunni organizations downplay the Iranian influence to maintain an image of a homegrown movement. Iran supported HAMAS in the December 2008-January 2009 war in Gaza. During the conflict, US forces boarded the *Monchegorsk* which was carrying arms bound for HAMAS. The US did not seize the ship, but directed it to dock in Cyprus. This arms trade with HAMAS violates UN Resolution 1747 which prohibits Iranian arms exports. On 1 February 2009, exiled HAMAS leader Khaled Meshal openly thanked Iran for assistance in the conflict.<sup>51</sup>

This support to HAMAS illustrates Iran's flexible policy of support for either Shia or Sunni organizations when it suits their geostrategic needs, in spite of their public claims of dedication to the 1979 Revolution via Shia ideology. This policy move is akin to Iran's support for Christian Armenia against Muslim Azerbaijan.<sup>52</sup>

#### LEBANESE HEZBOLLAH/SYRIA

In 1982, Lebanese Shia clerics in support of Iran's Revolution created the Lebanese Hezbollah which cemented ties to Iran. The Lebanese Hezbollah serve as a transit channel for weapons coming in and out of Iran.

Although Iran likely did not goad Lebanese Hezbollah to provoke the July-August 2006 war, Iran supplied their arms. Reportedly, during the conflict, Lebanese Hezbollah fired over 10,000 Iranian rockets at Haifa (30 miles from the border) and other Israeli cities within 20 miles of the Lebanese border. Iran also supplied Hezbollah with a *Mirsad* unmanned aerial vehicle (UAV) that Hezbollah briefly flew over the Israel-Lebanon border on 7 November 2004 and 11 April 2005. Israel shot down at least three Hezbollah UAVs in the conflict. On 14 July 2006, Hezbollah apparently hit an Israeli

warship with a C-802 sea-skimming missile, probably provided by Iran. According to an article in the Washington Post on 13 April 2005, Iran reportedly provided support for the Lebanese Hezbollah fighters. The article claimed that the number of Quds Force personnel in Lebanon rose dramatically, in order to assist the Hezbollah forces in operating the Iranian supplied weaponry. In the short conflict, the Lebanese Hezbollah are considered the victors by holding out against superior weapons and equipment of the Israeli Army through small unit tactics and arms. This gave the Hezbollah influence to press for more equipment, and indeed the amount of rockets in the hands of the Hezbollah was twice what it was at the beginning of the conflict. Subsequently, Iran supplied rockets with a range which could reach Tel Aviv, but also provided \$150 million in monetary aid to distribute to its supporters whose homes were damaged during the conflict.<sup>53</sup>

In the summer 2005 Lebanese parliamentary elections, Hezbollah expanded its presence in the parliament to 14 out of the 128-seat body and acquired 2 cabinet positions. Based on its perceived strength, analysts expected Hezbollah to be the big winner in the 7 June 2009 Lebanese parliamentary elections. The Hezbollah coalition, however, won only 57 seats and failed to supplant the pro-US factions led by Sa'd al-Hariri, son of assassinated leader Rafiq Hariri who won 71 seats (one more than they previously held). When the new cabinet convened in November 2009, Hezbollah possessed only slightly less political strength than before. Consequently, the Hezbollah Lebanese election defeat set back Iran's regional influence.<sup>54</sup>

#### RUSSIA

Since the fall of the Soviet Union in 1991, Iran and Russia continue to expand their political, economic, and security ties. Iran initially benefited militarily through the purchase of equipment from Russia, but it laid the foundation for improved future political, scientific, and non-military relationships between the two countries. Trade between the two countries continues to grow and involves a variety of products. While trade remains a significant component of their relationship, Iran and Russia primarily view each other as strategic partners.

Russia accepts Iran as a strategic partner based on two primary factors: energy and influence. When Russian leaders redefined their strategic goals, they identified the control or influence over the world's natural gas market as a strategic necessity. While Russia owns the world's largest natural gas reserves, Iran possesses the world's second largest natural gas reserves. In recent years, senior Russian governmental officials expressed a desire to form the natural gas equivalent of OPEC. Such a group would also include Qatar, whose share of the jointly held natural gas field with Iran provides it with the world's third largest natural gas reserves. These three countries, by themselves, control nearly half the worlds proven natural gas resources. Coordination between the top three natural gas producers could significantly impact the global energy market. To that end, Russia views its relationship with Iran as strategically important and treats Iran accordingly. In 1997, despite the US Iran-Libya Sanctions Act, Russia joined France and Malaysia to develop Iran's South Pars offshore natural gas field.<sup>55</sup>

Since the early 1990s, Russia also assisted the Iranians in their nuclear program. After the 1979 Revolution and the departure of German sponsorship, the Russians stepped in to assist in the resumption of the nuclear facilities' construction. Under the stewardship of President Vladimir Putin, Russia intensified their nuclear cooperation with Iran even as the US placed increased pressure upon the Russians to help curtail the Iranian nuclear program. Perhaps more troubling to the United States, Russia has trained more than 1,500 Iranian nuclear scientists, equipping them with the ability to carry out nuclear research indigenously and potentially transform a latent capability into weapons technology.<sup>56</sup>

Energy, however, is not the only dimension to Russo-Iranian relations. Russia has re-emerged in international politics and sought to re-establish its role as a world leader. Ties between the US and Gulf States, strengthened after the collapse of the Soviet Union, relegated Russia to a significantly

less important role with both its neighbors and former USSR member-states. For Russia to increase its influence in the Middle East and Central Asia, the US must lose influence and their military presence must diminish. Russia wants to use its ties with most countries in the region to eventually expand its influence and counter US policy. As a result, Russia is unlikely to change its current relationship with Iran.<sup>57</sup>

#### **CHINA**

Since the Revolution, Iran continually seeks to improve its ties with Asian countries, most notably China and Japan. Between 2000 and 2007, total trade between Iran and China grew more than nine-fold and in 2007 reached about \$20 million. In 2007, China represents Iran's biggest export market followed by Japan and Turkey. Iran benefits from low-cost Chinese imports that include mechanical equipment, electrical equipment, and military arms. Iran's increased trade relationship with China also brings strategic advantages since China serves as one of the five permanent UN Security Council members.<sup>58</sup>

#### **INDIA**

Iran and India have worked toward good relations with each other to pursue their own strategic interests and avoid mutual conflict over the last 31 years. Between 1996 and 2001, the two countries backed similar anti-Taliban factions in Afghanistan while they reached agreement on a number of mutually beneficial economic and military relationships and projects. Iran and India remain committed to potential projects to build a natural gas pipeline from Iran through Pakistan to India, and for India to supply gasoline to Iran. Reliance Industries, Ltd. provides up to 40% of Iran's gasoline imports. In December 2008, some American Congressional members opposed the Export-Import Bank decision to provide up to \$900 million in loan guarantees to Reliance because of its gasoline sales to Iran. A provision of H.R. 3081, an FY2010 foreign aid appropriation bill, would end export credits to companies that sell gasoline to Iran. The US also expressed some uneasiness about visits to India by Iranian naval personnel.<sup>59</sup>

#### VENEZUELA/LATIN AMERICA

The US also expressed some anxiety over Iran's relationships with Latin American countries considered US adversaries, particularly Cuba and Venezuela. In November 2009, Iranian President Ahmadinejad made a high profile visit to five Latin American countries that included Venezuela and Brazil. On 27 January 2009, American Secretary of Defense Gates reported that Iran wanted to build influence in Latin America by establishing front companies in Central and South America. Recent US State Department terrorism reports stated that Cuba maintains "close relationships with other state sponsors of terrorism such as Iran." On 23 November 2008, the Associated Press reported that Iran offered Bolivia \$1 billion in aid and investment.

On several occasions Venezuelan president Hugo Chavez visited Iran on official state business. In 2007, Chavez offered Iran additional gasoline when Iran experienced fuel shortages as well as assistance in several joint oil and gas projects. In September 2009, the Chavez government signed a deal for Petroleos de Venezuela (Venezuela's state-owned petroleum company) to supply Iran with gasoline in an apparent joint effort to circumvent any potential worldwide ban on gasoline sales to Iran. Both Iran and Venezuela established direct air links with the other country, and observers reported 400 Iranian engineers now work on Venezuelan infrastructure projects. Many accounts say that while Iran and Venezuela reached many agreements, few of the deals have reached actual implementation. On 30 October 2007, then American Secretary of Homeland Security, Michael Chertoff, said that Iran's relationship with Venezuela represented an emerging threat because it symbolizes a "marriage" of Iran's extremist ideology with "those who have anti-American views." 61

#### **AFRICA**

Many American Congressional members also express unease over Iranian support to radical Islamist movements in Africa. In the 111th Congress in 2009, House Congressional Resolution 16 claimed Hezbollah raised funds in Africa by trafficking in "conflict diamonds." The US also accused Iran that they supplied Somalia Islamists with anti-aircraft and anti-tank weapons.<sup>62</sup>

# AL-QAEDA

Due to al-Qaeda's orthodox Sunni Muslim identity, Iran does seem a natural ally due to its Shia dominated populace. Iran, however, might form a temporary tactical alliance with al-Qaeda to achieve its goals.

The 9/11 Commission Report stated that several of the September 11th hijackers and other conspirators possibly passed through Iran. The report, however, does not assert that the Iranian Government cooperated with or knew about the plot even if some Iranian officials helped the hijackers. Another Osama bin Laden ally, Abu Musab al-Zarqawi (killed by US forces in Iraq on 7 June 2006) reportedly passed through Iran after the September 11th attacks and became an insurgent leader in Iraq.

US officials have stated since January 2002 that Iran failed to prosecute or extradite senior al-Qaeda operatives or family members that may live or may have transited through Iran. The *London Times* reported in December 2009 that Iran held several bin Laden family members in a secure compound outside of Tehran, their home since shortly after 11 September 2001.<sup>63</sup>

# INFLUENTIAL POLITICAL GROUPS

The political spectrum in Iran is oriented on the approach to clerical leadership as established by Ayatollah Khomeini, and how one views its legitimacy in directing Iranian politics. There are no political parties in Iran with anywhere near the institutional weight they possess in the US; coalitions are often formed and subsequently shuffled with each election. Instead, Iranian politics is based upon personalities and the positions they espouse.

# POLITICAL FACTIONS

Khomeini's regime created a legacy of repressive tools that implemented ideological and economic controls, designed to control civil society and generate support for the theocratic state. Current laws in Iran restrict political activity to those groups that accept Khomeini's principle of Governance of the Jurist (*velayat-e faqih*), the Iranian political doctrine since the Revolution. The eighth Majles includes 290 delegates from at least 25 parties and coalitions.<sup>64</sup>

The Supreme Leader firmly controls Iran's political and religious decisions, but this does not mean uniformity through the Iranian political and religious landscape. The Iranian political system comprises many factions that represent different parts of society and various ideological perspectives. Consequently, numerous political parties spring up and usually center on an individual or group with a specific agenda. During elections, these political parties usually join together to form temporary coalitions for the election. These factions, however, consist of three broad categories: (1) the traditional right, also known as the conservatives; (2) the pragmatic right; and (3) the reformers and the Islamic left.<sup>65</sup>

# Traditional Right/Conservatives

The Iranian traditional right desires to protect the institution of *velayat-e-faqih* and views the consolidation of the 1979 Revolution at home as its highest aim. As their name suggests, these are the Khomeini ideologues, determined to sustain the current system and all it entails. They believe that the state must not only uphold their doctrine, but resist any attempts to alter the government's structure. Ayatollah Ali Khamenei, Iran's Supreme Leader, leads this group. This group dominates Iran's Government to include the Guardian Council, the judiciary and, the office of the Supreme Leader. The conservatives also dominate one of the most coercive tools of Iranian Government authority, the IRGC.<sup>66</sup>

The Iranian conservatives' belief in a system of clerical authority remains ironclad, and they see themselves as defenders of Khomeini's vision. If necessary, the conservatives would cheerfully remove the democratic institutions that occasionally challenge the clerical authority. Conservatives believe that they received their mandate from God and neither popular will nor elected officials should challenge it. The conservatives display ambivalence to popular opinion, because those that think like they do remain deeply entrenched in the institutions that ensure the conservatives continued rule. Hamid Reza Tariqi (Islamic Coalition Society) noted, "The legitimacy of our Islamic establishment is derived from God. This legitimacy will not wash away even if people stop supporting it." 67

The conservatives firmly reject individual sovereignty and believe Iran's youth must adhere to their Islamic tenants and bend to the clerics' will. The conservatives' revolutionary pledge to support the downtrodden caused the Iranian Government to enact significant legislation aimed at subsidization of everyday goods. These subsidies put tremendous strain on an economic system overly dependent on one primary resource—oil. The conservatives, however, likely to resist any economic reforms since many have interests in the mammoth Bonyads established when the Islamic Republic seized privately owned property in 1979.<sup>68</sup>

Each conservative faction receives the support of organizations or individuals with similar ideological persuasions. The Jame'e-e-Ruhaniyat e Mobarez (JRM) [Militant Clergy Association], an organization of the traditional right, possesses the most power. Many of Iran's most senior leaders belong to the JRM and they include Khamenei, Rafsanjani, and Akbar Nateq-Nuri. Established in 1977, the JRM played a significant part in the spreading of information about Ayatollah Khomeini to universities, mosques, and bazaars. JRM members organized and rallied support for Khomeini, promoted Khomeini as the head of the Revolution, and sponsored him as an alternative to the Shah.<sup>69</sup>

The JRM remains an important conservative group that includes the affiliated Society of Qom Seminary Teachers and the Jami'at Mo'talefeh Eslami [Unified Islamic Associations] (Mo'talefeh). These two organizations significantly manipulate decisions in Iran. Many senior politicians and clerics belong to one of these groups. Ayatollah Ahmad Jannati serves as a prominent member of the Society of Qom Seminary Teachers, as do many Guardian Council members, and all Council of Experts members. Mo'talefeh represents the interests of the Bazaari class supporters of the 1979 Revolution and the organization's members include wealthy conservative merchants. Habibollah Asgar-Owladi leads the Mo'talefeh, known for its radical revolutionary zeal and strong influential in the IRGC.<sup>70</sup>

#### Pragmatic Right

In 1996, due to a divergence on economic and social policies, then-President Rafsanjani engineered a split with the conservative right that established a new organization called the Hezb-e Kaargozaaraan-e Saazandegi [Executives of Construction Party]. More often known as Kargozaran, this organization is identified with the pragmatic right with the stated intent to promote social

justice, economic development, and the use of technical expertise to move Iran forward. These people take a pragmatic approach to economic development, and the organization attempts to place technocrats rather than ideologues in leadership roles. Kargozaran aims to achieve a modern, internationally integrated economy for Iran. To achieve their desire goals, Iran requires substantial economic modernization to include reduced barriers to imports, easement of entrepreneurs' entry into new businesses, and privatization of government businesses. The pragmatists want to participate entirely in the global economy, borrow internationally, and allow partial foreign ownership of domestic industries. This economic program attacks the Bazaari conservatives and their interests.<sup>71</sup>

Like their conservative brethren, however, the Kargozaran believe in the rule of the Islamic jurist. Whereas the "hardliners" focus on subsidies to ease the plight of Iran's poor, the pragmatic right foresees a modern economy as key to achieving the Revolution's goals. Some fundamental examples of these principles include privatization of segments of the economy and for Iran to join the World Bank. The pragmatic right also wants to steer Iran into a new era of foreign policy where the regime interacts with other nations instead of attempts to undermine other countries' governments or spread the Revolution.

Whereas "hardliners" focus on strict Islamic rules and rigid moral codes, the pragmatic right believes that political participation will strengthen the revolutionary government. The pragmatic right champions minor social and cultural changes not to improve human rights issues, but to decrease tensions and a sense of oppression from a predominantly young populace. The pragmatic right remains loyal to the Islamic state and they desire to create a more stable society, not a more liberal one.<sup>72</sup>

# Reformers and Islamic Left

In 1988, Mohammad Khatami broke from JRM and created the Majma-e-Ruhaniyun e Mobarez (MRM) [Combatant Clerics Society]. MRM believes in more personal and economic freedom and implicitly contradicts the degree of clerical control in the current Iranian system. Other organizations affiliated with MRM express similar ideological objectives, but with different membership such as the Organization of Mojahedin of the Islamic Revolution that encompasses nonclerics. In 1998, Khatami supporters organized the Islamic Participation Party of Iran, which include clerics, workers, Islamic women's activists, and other reformers. Reformists consist of a number of disparate groups, but agree on the need for change to clerical control.<sup>73</sup>

The reformers, although similar to the Leftists, do not support redistributive economic policies but prefer a more market oriented economy. The reform movement emphasizes the need to democratize Iran and empower the people vis-à-vis the government. The reformers also espouse a liberal view toward social and religious policies. Reformers aim to shape civil society through changes to rule of law, rights, liberties, and true political involvement. Unlike pragmatists, reformers aim to change the system itself. The reformers believe that Islam provides the source of law, that it should govern society, and it dictates acceptable human behaviors. Reformists, however, believe that interpretations of Islam can change as society itself changes. The demands of modern society create a need for government to adapt to public will instead of any attempts by the Iranian leaders to direct or subordinate the public will.<sup>74</sup>

The Islamic Left supports redistributive economic policies and strong state influence on the economy. In addition, this faction seeks to moderate clerical rule through the empowerment of other state institutions to serve as a check on the authority of the *ulema* [religious leaders]. Islamic leftists tend to support policies that favor the ethnic and religious minorities. The Islamic left opposes the authority of the Supreme Leader and its clerical system. The leftists argue that the Supreme Leader derives his authority and legitimacy to rule from popular and democratic support rather than only from a religious mandate. This political faction emphasizes the need for the Supreme Leader to

respond to the people's desires vice an authoritarian directive issued from him. For this to occur, the left argues that Iran must adapt its religious rulings to the modern, changing world. In contrast to the conservative's traditional interpretation of the Supreme Leader's role, the Islamic left believes that the public possesses the ability to restrict the powers of the Supreme Leader. The Islamic left's vision for the country remains one in which the government's bureaucratic institutions should possess more authority than the religious institutions.<sup>75</sup>

# Against Velayat-e-Faqih

Mehdi Bazargan, initial leader of the Iranian Freedom Movement, originally supported the 1979 Revolution and Ayatollah Khomeini. After his 1979 appointment by Khomeini as the first Prime Minister, Bazargan believed in the centrality of human rights and stressed that Muslims should follow Islamic tenets of their own free will. Bazargan's ideas presented a far more moderate view than those of others in the revolutionary regime. After the 1979 takeover of the US Embassy, Bazargan and his cabinet resigned in protest. Since then, the group continues to exist as the Islamic Republic's primary opposition to the concept of *velayat-e-faqih*. Because of the Iranian Freedom Movement's opposition to the current regime, the group cannot register as an official political party, and its members cannot run for Majles seats or the presidency. After Bazargan's death in 1995, Ibrahim Yazdi took over the Iranian Freedom Movement's leadership.<sup>76</sup>

#### ANTI-IRANIAN REGIME GROUPS

Numerous Iranian-Americans yearn for a change of regime in Iran, especially in California where a large group of them live. About 25 small-scale radio and television stations broadcast into Iran. While many Iranian-Americans protested Ahmadinejad's September 2009 visit to the UN, it is not known how much the Iranian Diaspora attempts to influence events in Iran.

Other organizations do not work toward regime change. The National Iranian-American Council (NIAC) desires to promote discussion of US policy and advocates US engagement with Iran. The Public Affairs Alliance of Iranian-Americans (PAAIA) wants discuss issues that affect Iranian-Americans, such as discrimination caused by public perceptions of Iranian association with terrorism or radical Islam.<sup>77</sup>

Some Iranian exiles, as well as some elites still in Iran, want to return to a constitutional monarchy led by Reza Pahlavi, the US-based son of the late former Shah and US-trained combat pilot. Reza Pahlavi, however, does not appear to enjoy large-scale support inside Iran. In January 2001, the Shah's 50-year old son ended a long period of political inactivity when he gave a speech in Washington, DC that called for unity among the Iranian opposition and the institution of a constitutional monarchy and democracy in Iran. Since the 2001 speech, Reza Pahlavi broadcasted some messages into Iran from Iranian exile-run stations in California, and delivered a statement that condemned the Iranian Government for the post-2009 election violence.<sup>78</sup>

# People's Mojahedin Organization of Iran (PMOI)

The People's Mojahedin Organization of Iran (PMOI) exists as the best know of the opposition groups which seek to overturn the Islamic Republic. Also known as the Mojahedin-e-Khalq Organization (MeK or MKO), the secular, left-leaning group coalesced in the 1960s as a group that desired an overthrow of the Shah and advocated a fused ideology of Marxism and Islamic tenets. The PMOI allied with pro-Khomeini forces in the 1979 Revolution and supported the November 1979 takeover of the US Embassy in Tehran. The new Islamic Republic, however, drove the PMOI into exile. The US State Department refuses contact with the PMOI and its umbrella organization, the National Council of Resistance (NCR). In October 1997, the US State Department designated the PMOI as a foreign terrorist organization and named the NCR as an alias for the PMOI in the October 1999. The issue of PMOI group members in Iraq causes great concern to US military forces. As a part of

Operation IRAQI FREEDOM, US forces attacked PMOI military installations. The ceasefire agreement required the approximately 3,400 PMOI fighters to be sequestered at Camp Ashraf near the Iraqi/Iran border with its military weapons stored and guarded by US military personnel. In July 2004, the United States granted the Ashraf detainees "protected persons" status under the 4th Geneva Convention that meant the US-led forces would not extradite the PMOI fighters to Iran or forcibly expelled them from Iraq as long as US forces secured Iraq.

The PMOI now fears that Iraq will expel them to Iran since, on 1 January 2009, a bilateral US-Iraqi agreement replaced the US-led security mandate that limits US flexibility in Iraq. In January 2009, the Iraqi Government tried to calm the PMOI's fears by a statement that Iraq would adhere to all international obligations, and the new Iraqi Government would not do so. On 27 July 2009, the Iraqi Government erected a police post in the PMOI camp that the residents resented. The PMOI claims that the Iraqis killed about a dozen of their members in the clashes between the two sides and the PMOI lost all trust that the Iraqis would keep their word. Some observers believe Iraq might move the camp to Iraq's interior, away from the Iran border. The European Union (EU) "de-listing" might help resolved the issue if EU governments decide to take in the PMOI members located at Ashraf.<sup>79</sup>

# Jundullah

Roughly 1.4 million Baluchis reside in Iran and comprise 2% of its population. Predominantly Sunni, Baluchis reside primarily in Sistan va Baluchistan Province, part of greater Baluchistan, a region that covers both Pakistan and Iran. Baluchistan remains the least developed part of Iran and boasts high unemployment rates. Despite few natural resources, it remains an important region militarily because of its border with Pakistan. In March 2007, a group called Jundullah attacked a government motorcade that left 20 people dead, took hostages, and executed at least one IRGC member. Since mid-2008, the Jundullah conducted several successful attacks on Iranian security personnel and claimed the attacks as revenge for the poor treatment of Iranian Sunnis. On 18 October 2009, the Jundullah claimed responsibility for the death of five IRGC commanders at a meeting with local groups in Sistan va Baluchistan Province.<sup>80</sup>

#### Free Life Party (PJAK)

The Free Life Party (PJAK) consists of Kurdish separatists who are often closely associated with the Turkish Kurdish separatist group, the Kongra-Gel, also known as the PKK. Predominantly Sunni Muslim, these Kurds reside mainly in the northwest part of Iran (called Iranian Kurdistan) and comprise around seven percent of Iran's population. Roughly four million Kurds live in Iran compared to 12 million in Turkey and 6 million in Iraq. Unlike Iran's other minorities, many Kurds harbor separatist tendencies. Both the Iranian and Turkish Governments fear the creation of a semiautonomous state in northern Iraq might inspire their own Kurdish minorities to agitate for greater independence.<sup>81</sup>

# Ahwazi Arabs

Some three million Arabs, predominantly Shia, reside along the Iranian-Iraqi border in southwest Iran. Arabs, whose presence in Iran stretches back 12 centuries, co-mingle freely with the local Turkish and Persian populations. During the 1980s Iran-Iraq War, the Arabs fought on the side of the Iranians, not the Iraqis. In recent years as Sunni-Shia tensions increased in the region, a minority of the Arabs, emboldened by Iraqi Arabs across the border, pressed the Islamic Republic for greater autonomy. In April 2005, rumors spread that the Iranian authorities in Tehran planned to disperse Arabs that lived in the area and the Human Rights Watch reported that this rumor led to protests that turned violent. In March 2006 in the southern oil-rich province of Khuzestan, clashes erupted between police and pro-independence ethnic Arab Iranians that resulted in three deaths and more

than

250

arrests.82

# Summary

Iran is confronting an identity crisis. Within the state are powerful forces pulling in different directions. The older generation and those in power continue the legacy of the 1979 Revolution, pushing for clerical control and social policies viewed with state responsibility for the welfare of the populace. However, the younger generations have no history of the Revolution. They are interested in modern technology and liberalized economics; they are apprehensive of clerical control, seeing it as just another form of state control, not revolutionary ideology.

However, this critique does not imply unpatriotic feeling. The Iranian population is very proud of its culture and views Iran as the rightful leader in the Middle East. Iran's international policies, while apparently influenced by exporting the Revolution, are more accurately interpreted as serving in the best interests of the Iranian state, even if that means allying itself with those that do not easily fit within the normal assumption of interests aligning with Iran. Iran is a powerful state, possessing some of the best economic resources in the world, especially in fossil fuels. This gives the state a role that cannot be denied in international affairs, a role that Iran relishes.

The tensions in Iran's political system (a hybrid of theocratic clerical control and democratic principles) is reflected in part of its official name; some see the state as an *Islamic* Republic, while others see it as an Islamic *Republic*. This difference in interpretation lies at the center of the political tensions in Iran, and consequently, how one interprets it directs how the state should govern. Iran possesses a literate populace which is interested in participating in the governing system. However, its system is inherently shackled by a clerical system that ensures Islamic ideas are not expunged. This control has most recently been threatened by the demonstrations following the 2009 presidential elections, the widest and most comprehensive since the 1979 Revolution.

# Annex A

# (Leadership Profiles)

#### Faction

Iran's Supreme Leader, Ayatollah Khamenei, appoints the head of the judiciary, 6 of the 12 members of the powerful Guardian Council, the commanders of all the armed forces, Friday prayer leaders, and the head of radio and TV. He also confirms the president's election.

Khamenei played a central role in the Iranian Revolution and was close to Ayatollah Khomeini. He was president of Iran from 1981 to 1989 before becoming Supreme Leader for life.

#### Photo



Ayatollah Ali Khamenei

Mahmoud Ahmadinejad was elected in 2005. He was actively involved in the Iranian Revolution and was a founding member of the student union that took over the US embassy in Tehran in 1979, but he denies being one of the hostage-takers.

He became the first non-cleric to be elected president since 1981 when he won a run-off vote against former president Ali Akbar Hashemi Rafsanjani in elections in June 2005.

He is a hard-liner both at home—where he does not favor the development or reform of political institutions—and abroad, where he has maintained an anti-Western attitude and combative stance on Tehran's nuclear program.



President Mahmoud Ahmadinejad

The 68-year-old former prime minister stayed out of politics for some years but returned to stand as a moderate.

Mir-Hossein Mousavi was born in East Azerbaijan Province and moved to Tehran to study architecture at university.

He is married to Zahra Rahnavard, a former chancellor of Alzahra University and political advisor to Iran's former President Mohammad Khatami.

One of his closest associates and backers in this election was Ali Akbar Hashemi Rafsanjani, the former President of Iran (see below).



Mir-Hossein Mousavi

#### BBC News Leadership Profile83

Ali Akbar Hashemi Rafsanjani, has been a dominant figure in Iranian politics since the 1980s.

Described as a "pragmatic conservative," he is part of the religious establishment, but he is open to a broader range of views and has been more reflective on relations with the West.

Mr. Rafsanjani was president for eight years beginning in 1987 and ran again in 2005. He lost to Mahmoud Ahmadinejad in the second round. He has been openly critical of the president since then.

He is still a powerful figure in Iranian politics as he heads two of the regime's most powerful bodies: the Expediency Council (which adjudicates disputes over legislation) and the Assembly of Experts (which appoints, and can theoretically replace, the Supreme Leader). He is also a wealthy businessman.



Ali Akbar Hashemi Rafsanjani

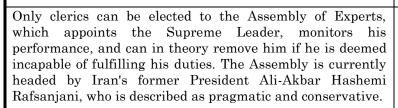
The Iranian reform movement is a political movement led by a group of political parties and organizations in Iran who supported Mohammad Khatami's plans to introduce more freedom and democracy.

In 1997, Khatami was elected president on a platform of greater freedom of expression, as well as measures to tackle unemployment and boost privatization. However, much of his initial liberalizations were stymied by resistance from the country's conservative institutions.

He initially stood for election in 2009 but later stood aside and lent his support to Mir Hossein Mousavi.

Other key reformist figures include Mir Hossein Mousavi, Mohsen Mirdamadi, Hadi Khamenei, Mohsen Aminzadeh, and Mostafa Tajzadeh.

One of their spiritual mentors, and a fierce critic of the regime, was Grand Ayatollah Hoseyn Ali Montazeri, who died in December 2009.



Clerics dominate the judiciary. Conservative hardliners have used the judicial system to undermine reforms by imprisoning reformist personalities and journalists.



Mohammad Khatami



Clerics

BBC News Leadership Profile84

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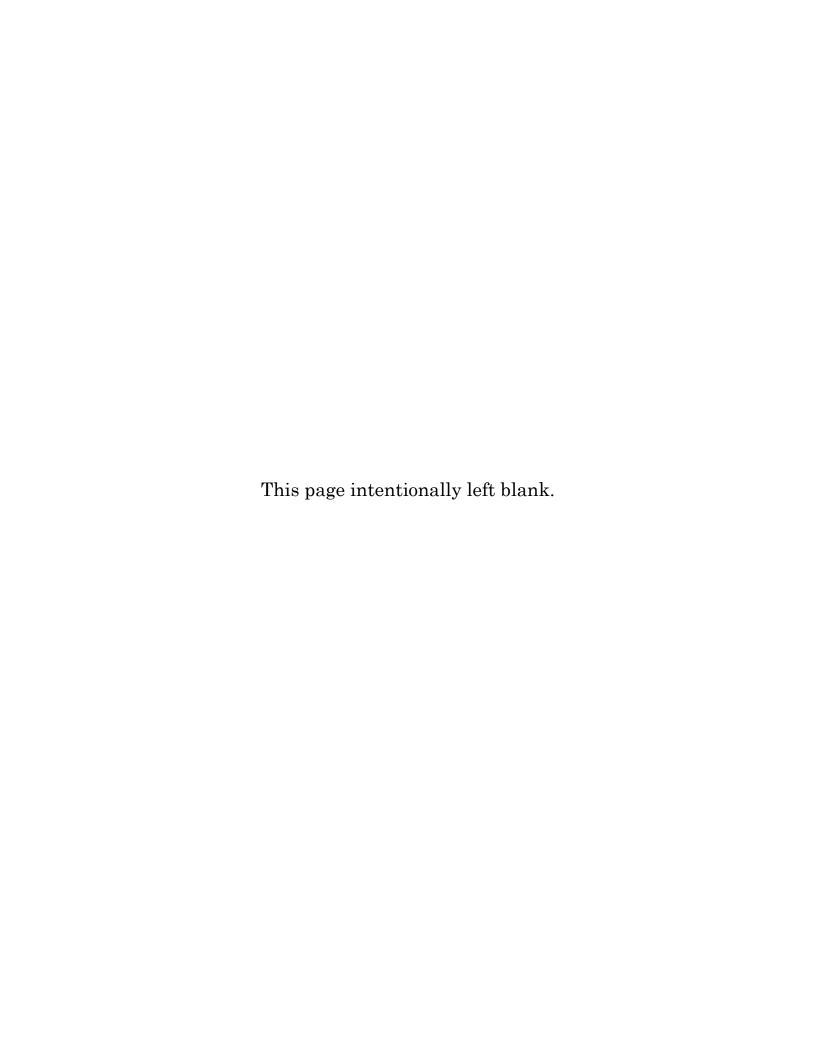
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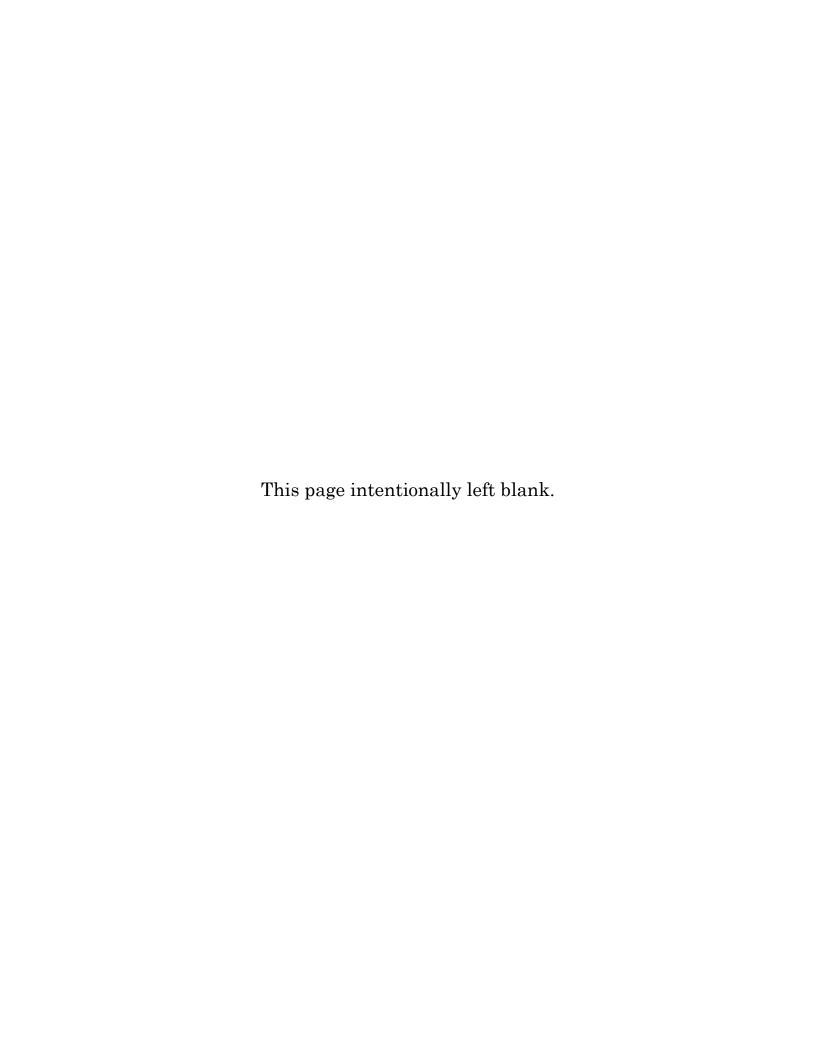
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# MILITARY



# Military

The military variable explores the military and/or paramilitary capabilities of all relevant actors (enemy, friendly, and neutral) in a given OE. Relevant actors may include terrorists, militias, criminals, gangs, and insurgents. Such capabilities are a function of equipment levels, adaptive tactics, and leadership issues. Analysis should focus on an actor's ability to adapt to the OE and use any unique conditions within the OE to its advantage against US forces. The military variable also explores emerging thoughts and concepts that lead to adaptations, investment decisions, or changes in operational designs.

"Our war is a war between our religion and all the inequalities of the capitalist world; therefore, this war has no boundaries. Our war is a war of faith and devotion. And this draws our strategy."

—Div. Gen. Muhammad Ali Jafari, IRGC General Commander, 2008

# **KEY FACTS:**

- Iran maintains the largest, most capable conventional armed forces of any country in the Middle East with the possible exception of Turkey.
- The Iranian military consists of two elements: The Artesh composes the "conventional" military that resembles the pre-1979 force before the Revolution. The 1979 Revolution created the Islamic Revolutionary Guard Corps (IRGC, or Pasdaran), and espouses an unconventional doctrine heavily inundated with Islamic ideology.<sup>1</sup>
- The IRGC has successfully projected Iranian influence on the global stage. Iranian (mostly IRGC) operatives continue to support groups such as Lebanese Hezbollah, Palestinian HAMAS, Badr Group, and Iraqi "Special Groups" (off-shoots of Jaish al Mahdi).<sup>2</sup>
- The combination of the Artesh and IRGC doctrine created a hybrid military culture as witnessed with Iran's last major conflict, the Iran-Iraq War (1980-1989). Iranian military doctrine combines conventional and unconventional offensive tactics.<sup>3</sup>
- In the Iran-Iraq War, the IRGC and subordinate units (supported by the Basij) conducted costly "human wave" frontal assaults designed to overrun Iraqi positions and destroy Iraqi morale as well as deplete their ammunition supply. Meanwhile, the Artesh attempted more conventional "combined arms operations" (with the emphasis on the light infantry with helicopter support).
- Both the Artesh and IRGC view themselves as defensive entities for the Islamic Republic.<sup>5</sup> The Artesh perceives its main objective as the defense of Iran's "territorial integrity." The IRGC's goal is to defend and export the Islamic Revolution model.
- The IRGC maintains strong ties within the political and religious sectors and therefore receives better funding then the Artesh.<sup>6</sup>
- The 1990s forced the Artesh and the IRGC to reorganize under a single combined command; this prompted the IRGC to stress education and professionalism.<sup>7</sup>

- Even though each Iranian must complete an 18-month conscript military service obligation, which in some cases causes financial burden for the conscript, Iranian upper to higher society tends to view Artesh career paths as an honorable profession. Most of the lower enlisted ranks, however, consist of conscripts. The IRGC also uses ties to religious social values to recruit members.<sup>8</sup>
- Iran experiences a massive amount of public pressure on their political and military institutions to continue its nuclear program. Popular public sentiment proclaims that Iran is "worthy" of a nuclear bomb, and that Western policy that allows Israel to possess such weapons, but not Iran, as hypocritical. Political and military officials exploit this theme to rally support for the Islamic regime. 9

# OPERATIONAL IMPACTS OF THE MILITARY VARIABLE IN THE OE:

- Both the Artesh and IRGC understand that they cannot succeed in a "force-on-force" conventional engagement with a technologically superior enemy. This conclusion forced both groups to examine and then establish an adaptive strategy that consists of a country-wide mobilization and an active insurgency campaign.<sup>10</sup>
- Iranian political and military elements desire to expand a potential confrontation with an adversary from a regional to a global theater. The IRGC verbally focuses its threats toward US interests as well as US allies globally. This could include potential attacks on US soil with "Special Groups" or Hezbollah-like sleeper cells. The IRGC and many other religious zealots aspire for a worldwide uprising that would use the Muslim masses against the US and its allies. 11
- Iran will potentially have a military nuclear capability by 2015. 12
- Iran will continue to build its military inventory. The Iranian military leadership continues to concentrate on smaller vehicles that are useful in adaptive warfare (jeeps, motorcycles, MANPADS). 13
- Iranians perceive that the American Middle East policy revolves around the need to maintain security of cheap oil. Due to this perception, Iran develops military scenarios that deny the US access to oil by a blockade of the Strait of Hormuz and the targeting of oil facilities on the Persian Gulf's south side.

#### MILITARY OVERVIEW:

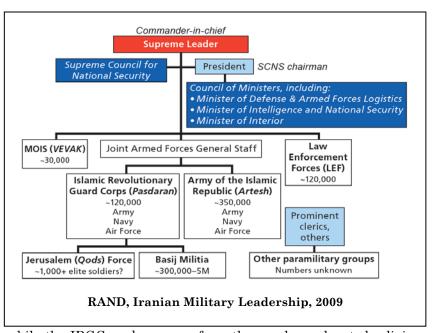
This product discusses the Iranian military organizational structure. It will detail the two sets of ground-air-sea forces (the regular military organizations and the IRGC paramilitary groups), and provide a functional overview. Functions discussed are command and control (C<sup>2</sup>), maneuver, fire support, logistics, and possibly most important, Iran's military strategies and doctrine (macro-micro).

# MILITARY FORCES

#### **OVERVIEW**

The Iranian military consists of two vital components: the Artesh (conventional army) and the IRGC that protects both the clerical regime and the global spread of Shia Islam. <sup>14</sup> The Artesh and IRGC mirror each other while both contain ground forces, Navy, and Air Force elements.

Both military organizations view themselves as defensive entities. The Artesh perceives that its main objective as the defense of Iran's "territorial integrity," while the IRGC needs to both defend and export the ideals of the Islamic Revolution. 15 The two different missions forced both organizations to clash and struggle against each other for government funds. With strong ties to the political and religious sectors, the IRGC receives better funding than the Artesh.<sup>16</sup> Historically, the IRGC suspect the Artesh's true intentions. The Artesh usually came from the

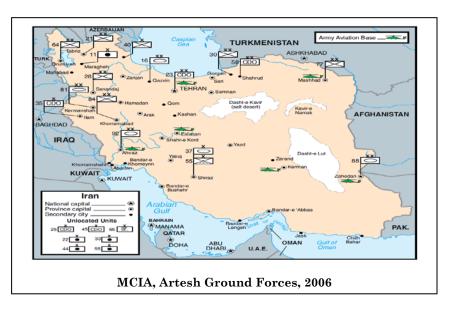


educated middle to upper class, while the IRGC ranks sprang from the rural, uneducated religious zealots. Currently, some high IRGC officers now possess more education than their Artesh counterparts. In the 1990s, the Iranian government forced the Artesh and the IRGC to reorganize under a single combined command that forced the IRGC to stress education and professionalism.<sup>17</sup>

# ARTESH: ISLAMIC REPUBLIC OF IRAN GROUND FORCES (IRIGF)

# ORGANIZATIONAL ASPECTS

The Iranians in the Artesh maintain a robust conventional military organization. reports that the Artesh military boasts an estimated 350,000 soldiers divided into the Army, Navy, and Air Force (exact numbers vary from different sources). The ground forces possess six infantry divisions, four armor divisions, six artillery divisions, commando two divisions, one airborne brigade, and one special forces brigade. 18



#### MISSION

Primarily, the Artesh protects the territorial sovereignty of the Islamic Republic of Iran. The Artesh IRIGF consists of 222,000 active duty soldiers (excluding the Navy and Air Force) and organizes,

trains, and equips all ground force units and ground based air defense units. The Artesh IRIGF deploys along the country's external borders, particularly those with Iraq and Azerbaijan, seen as the most likely land avenues of approach for Western forces that might attack.<sup>19</sup>

# IMPACT ON MILITARY OPERATIONS

The Artesh IRIGF ground forces play the major role in any invasion scenario. Hypothetically, if a country invaded Iran—most likely through the Persian Gulf or Iraq—it would immediately face the Artesh IRIGF, which would mostly consist of light and mechanized infantry. The Artesh and IRGC ground forces would likely exert their main effort to repel the invader in a conventional force-onforce engagement or delay for time, to allow the mobilization process and asymmetrical doctrine to take effect.

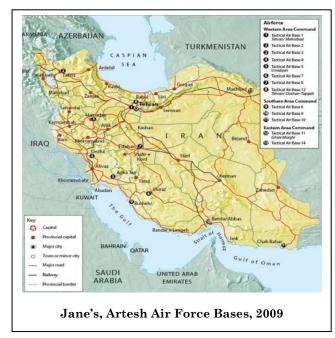
A terrain analysis of Iran's physical environment quickly explains the disposition of its military forces. The Zagros Mountains canalize movement from the northwest to the southeast. Overall, Iran's size and terrain dictate an Iranian defensive strategy. A possible course of action would be for the ground forces to fight a retrograde delay that would maximize the advantages of the difficult terrain to draw an invader into Iran that would extend their logistical lines. The Iranians could fight on interior lines of communication and supply that would allow them to concentrate on the enemy at choke points, such as the mountain passes. As light infantry, the IRIGF lacks mobility for both its soldiers and logistics operations. These constraints may also lead Iran to adopt a defensive strategy similar to what occurred in the Iran-Iraq War. This strategy, however, would be for only the conflict's first phase.

# ARTESH: THE ISLAMIC REPUBLIC OF IRAN AIR FORCE (IRIAF)

#### ORGANIZATIONAL ASPECTS

The Artesh divides its Air Force into three commands: Western, Southern, and Eastern. The Marine Corps Intelligence Activity (MCIA) reports that 30,000-50,000 personnel serve in the IRIAF.<sup>20</sup>

Thirty years ago, the IRIAF possessed a decent reputation for flying skill and the ability to put ordnance on target. Recent exercises provide evidence that, for regional standards, Iranian pilots remain skillful in air strikes against ground targets and terrain usage to mask themselves from radar. Iranian pilots still retained a deep strike capability, as demonstrated by their 30 September 1997 attack against Iraqi bases in the Mujahedin-e Khalq (MeK). This attack demonstrated Iran's capability to conduct quality operational mission planning and deep strike capabilities. In the Iran-Iraq War, however, the IRIAF demonstrated a limited



capability to provide effective close air support to ground forces, or to accomplish battlefield interdiction missions. Iran possesses an aged aircraft inventory and many airplanes are not mission

capable due to poor maintenance. Although the IRIAF could temporarily interdict Gulf shipping and provide some air coverage for Iranian naval forces, the long-term embargoes that prohibit Western nations from the sale of aircraft or parts to Iran prevent the IRIAF from any long-range missions. The Iranian domestic military industry is attempting to fill in the gaps from the lack of aircraft parts.

Unclassified force estimates indicate Iran possesses 16 fighter/ground attack squadrons; five transport squadrons, one

Base	Location	Aircraft
1st Fighter Base and 1st Transport Base	Tehran-Mehrabad	MiG-29, C-130H, II-76, Falcon 50, Boeing 707/747, KC-707, KC-747, RC-130, RC-707, F-27 Friendship
2nd Fighter Base	Tabriz	MiG-29, F-5E, F-5F
3rd Fighter Base	Hamadan	F-4E, RF-4E
4th Fighter Base	Dezful	F-5E, F-5F
5th Fighter Base	Omidiyeh	F-7, FT-7
6th Fighter Base	Bushehr	F-4E, F-14A
7th Fighter Base and 7th Transport Base	Shiraz	Su-24, P-3F, C-130, II-76
8th Fighter Base	Esfahan	F-14A
9th Fighter Base	Bandar-e Abbas	F-4E
10th Fighter Base	Chah Bahar	F-4D
14th Fighter Base	Mashhad	Mirage F-1

MCIA, Main Iranian Air Force Bases, 2006

interceptor squadron, one tanker/ transport squadron, one reconnaissance squadron, and one training wing.<sup>22</sup> As with ground force elements, the size of these units does not match their Western equivalent units. In the past, Iranian pilots received flight training in Russia and North Korea.<sup>23</sup>

The Iranian inventory reveals a mixture of old and newer aircraft from many different countries. The American F-14 and the Russian MIG-29 present the biggest threat to Western forces as these planes can conduct air-to-air operations. The IRIAF primarily supports their ground forces and position their best aircraft near strategic sites (nuclear plants). The IRIAF, however, does not comprise a formidable air component to a technologically advanced Air Force.<sup>24</sup>

# UNMANNED AERIAL VEHICLES (UAVS)

Iran has proven itself proficient dating back to 1984 in the research and development of the UAV. The military industry within Iran is now one of the leading nations within the Middle East for the production of such surveillance and reconnaissance equipment. The IRIAF has fielded six different UAV models (Moharjer II, III, IV; Saeghe; and the Ababil II and III). Rumors abound that the Iranians have been researching helicopter UAVs along with jet powered UAVs. <sup>25</sup>

The Iranians learned the value and importance of timely intelligence as it relates to UAVs through a combination of studying the Iran-Iraq War, the Israel and Hezbollah 2006 conflict, and monitoring the ongoing US OIF/OEF operations. Thus, the Iranians made UAVs a priority for the military industry. The Iranians will continue to improve their UAV technology through research and the use of proxies such as Hezbollah.<sup>26</sup>

#### AIR DEFENSE FORCES

Similar to many European militaries, Iranian operational and strategic air defense forces fall under the Air Force. Approximately 12,000 personnel use the older British (Rapier) and US (I-HAWK) while newer systems come from the Russians or Chinese.<sup>27</sup> The Iranians use older US Early Warning/Ground Controlled Intercept radars, such as the AN/TPS-43, FPS-100, and AN/FPS-88. More recently, the IRIAF purchased radars from Russia, Hungary, Poland, and the Czech Republic. Interoperability and lack of quality maintenance for a mixture of the systems presents considerable and insurmountable difficulties for the aged equipment.<sup>28</sup>

The IRIAF Air Defense Forces must provide adequate coverage for assets across a wide territory and must use a point defense strategy to protect key bases and facilities. The air defense assets generally

follow the ring of air bases across the northern border and down the western tiers of the country that the IRIAF considers the most likely air avenue of approach. Tehran serves as the Air Defense Operations Center and it controls four regional subordinate headquarters located at Babol Sar, Ahvaz, Esfahan, Tabriz, and Tehran.<sup>29</sup>

It should be noted that one of Iran's critical nuclear facilities is also located at Bushehr. Iranian air defenses can inflict damage against enemy aircrafts. The IRIAF air defense network, however, should not prove decisive in any conflict with a technologically superior adversary.

# ARTESH: THE ISLAMIC REPUBLIC OF IRAN NAVY (IRIN)

The IRIN possesses the responsibility to patrol the Persian Gulf and until the last few years received a considerable amount of financial aid and support from the Iranian government. The Iranian government recently tasked the IRGC Navy with the responsibility for the Persian Gulf mission.<sup>30</sup> The political and religious elements within Iran maintain a vested interest to support the change of mission to the IRGC. Both elements, however, still retain considerable doubts about the Artesh's loyalty. The loss of a prestige mission and the reduction in financial support hurt the Artesh as most militaries view IRIN naval vessels antiquated by Western standards. The IRIN attempted to overcome their deficiencies with the purchase of Russian and Chinese ships to include submarines, missiles, and fast attack craft. Observation of IRIN exercises in the Arabian Gulf indicates that the Iranians recently improved their equipment and training.

If Iran blocked shipment lanes in the Strait of Hormuz, this action would landlock many Middle Eastern countries. Given all the IRIN deficiencies, Iran still maintains the strongest regional naval forces. Only the US Navy possesses enough ships and firepower to open up the Strait of Hormuz if Iran attempted to interdict it.

After the Iran-Iraq War, the Iranians began to rebuild their military forces with their priorities on the Navy and ground-based antiaircraft systems. This implies that the Iranian military now considers their greatest enemy to be the US and not Iraq. The Iranian military makes their plans based on their perceived most dangerous threat.31

In support of their plans, Iran made two key purchases. First, they purchased three Kilo submarines from the Russians. Additionally, they purchased ten HOUDONG guided missile patrol craft equipped with C-802 anti-ship missiles from the Chinese. The Iranians outfitted the IRGC with these newest ships instead of the regular Navy structure. The Center for Strategic & International Studies (CSIS) noted that the overall Iranian Navy remains "far less capable of fighting a conventional battle at sea than when it was decisively defeated by the US Navy in the 'tanker war' of 1987-1988."32



Jane's, Artesh Navy Bases, 2009

Like most navies, the IRIN's shore establishment borders its sea frontiers. The IRIN divides the country into four naval districts. The First Naval District and most import sits astride the Strait of Hormuz at Bandar-e Abbas. This is Iran's most modern and well-developed port facility and where it's Iran constructed its main repair facilities. It also serves as the home port for most of its larger ships that include the three KILO class submarines. 33 The Second Naval District, headquartered at Bushehr, covers the northern Arabian Gulf. Mahshar serves as the headquarters for the Third Naval District located in the Northern Persian Gulf. The Fourth Naval District covers Iran's northern border where it shares the Caspian Sea with Russian, Azerbaijani, and Turkmen fleets. Bandar-e Azali, on the southwestern shore of the sea, serves as the Fourth Naval District's headquarters.

Iran also possesses an Indian Ocean base at Chah Bahar in the very southeastern part of the country, near the border with Pakistan that serves as the IRIN's main outlet to the open sea. Some experts believe that this port will eventually become the home port for the submarines currently berthed at Bandar-e Abbas.<sup>34</sup>

Iranian naval strategy espouses four main tenets:

- Control the Strait of Hormuz and thereby access to the Arabian Gulf
- Project naval power into the Gulf and ensure dominance of the disputed islands there
- Interdict sea lines of communication of Iraq, Oman, Qatar, Bahrain, United Arab Emirates, Kuwait, and Iraq
- Intimidate other Gulf countries through their naval presence

Although Iran maintains the most capable regional naval force, it does not possess the strength to defeat a modern, well-trained, and well-equipped opponent. The IRIN operates more or less as a "guerilla Navy." The IRIN would employ small boats in hit and run type missions, deploy mines, fire anti-ship cruise missiles, and use fixed wing and helicopter forces against stronger naval forces. 35 The Navy does not possess a significant air defense capability. As with most of the Iranian military, the Navy lacks spare parts and demonstrates a poor maintenance record. 36 Most analysts agree that the IRIN could close the Gulf of Hormuz for a limited time period and that they most likely would attempt to control the Gulf of Hormuz. 37 Such IRIN action risks massive Western retaliation, loss of their limited facilities, and the deprivation of their economic means to include their oil refineries and the income derived from them. This oil income serves Iran as their major foreign source of funds. IRIN missions might include: 38

- Mine laying, particularly of narrow channels and coastal areas
- Insertion/extraction of special operations forces
- Seizure of disputed islands
- Raids on coastal areas and isolated oil rig platforms
- Harassment and closure of the Strait of Hormuz
- Defensive patrolling of coastal areas

#### NAVAL GROUND FORCES

The IRIN contains two different naval ground forces, the Tofangdaran Darya-e and the Takavaran Darya-e. The Tofangdaran Darya-e serves as naval riflemen who perform missions like traditional coastal defense troops. They occupy some of the disputed islands in the Gulf, defend naval facilities, and are capable of only very limited amphibious operations. By contrast, the Takavaran Darya-e performs as marine commandos whose mission and functions are similar to the British Royal Marines. The Takavaran Darya-e can conduct raids from either surface ships or air platforms. Headquartered in Tehran, two commando brigades of about 3,700 personnel provide the assault

forces out of a total force of approximately 8,000. The brigade at Bandar-e Abbas calls itself the Imam Hossein Brigade, while the other brigade's designation at Bushehr remains unknown.

#### SUBSURFACE

Iran created a new and mixed naval dimension with the recent acquisition of three Russian submarines that are currently home ported at Bandar-e Abbas. A foreign Navy could bottle up the submarines because of the location of Bandar-e Abbas in the constricted Strait of Hormuz.

Each KILO sub can carry 18 torpedoes or 24 tube-launched mines.<sup>39</sup> They can travel up to 400 nautical miles submerged for up to a six-day period. If the KILOs can snorkel, they can travel as far as 7,500 miles and remain at sea for 45 days. The KILOs are small, diesel submarines with relatively quiet power plants. They can hide in shallow coastal areas and can perform mine laying, special operations missions, and attacks against surface shipping. KILO limitations include problems with salt and seaweed intake into their cooling fans and filters. Additionally, the submarines' batteries fail to maintain full charges in the warm Gulf waters, as the Russians designed them for much colder waters.<sup>40</sup>

The Iranians possess an unknown number of homemade midget submarines designated as Nahang (whale). Midget submarines demonstrated a long history of being used as a force multiplier by inferior navies against a vastly stronger navy. In World War I, Italy's *Decima Mas* conducted attacks on Allied ships in harbors throughout the Mediterranean Sea. The *Decima Mas* rode one- and two-man steerable torpedoes directly into docked ships with much success before they jumped off at the last minute.<sup>41</sup> Although Iranian submarines show signs of improved performance, their lack of experience and poor equipment make them vulnerable for the foreseeable future at the hands of a capable anti-submarine warfare (ASW) force.

# AVIATION

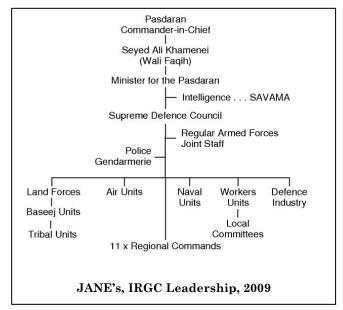
The IRIN possesses very little naval aviation. IRIN aircraft consists of small, commercial fixed wing aircraft and limited helicopter assets. VIPs primarily use the commercial aircraft based in Tehran for transport. The ports at Bandar-e Abbas and Bushehr on the Gulf coast and at Char Bahar on the southeastern coast all maintain some naval helicopters. Naval aviation missions include transport, utility, antisubmarine, and mine laying. Recent aircraft acquisitions indicate that the IRIN plans an expansion into early warning and maritime patrols. Naval aviators conduct their flight training at Shiraz in southern Iran. The primary operational bases for naval helicopters include Bushehr and Shiraz with their obvious orientation toward the southern part of the Arabian Gulf and the strategic Strait of Hormuz. The naval aviation inventory, while rather meager, includes US aircraft.<sup>42</sup>

# THE IRANIAN REVOLUTIONARY GUARDS CORPS (IRGC)

Iran possesses a unique military establishment—the IRGC—that competes with the Artesh for resources. The IRGC maintains its own ground forces, naval component, and air element that mirror the Artesh. The IRGC acts like a regime insurance policy as it consists of true believers who base their ideology on the continued existence of the theocratic regime and the Revolution which brought it to power in 1979. Ayatollah Khomeini originally established the IRGC as a check against the Artesh whose loyalty he considered suspect after the Shah's downfall.

Even today, some Iranian political leaders do not trust that the regular forces would suppress civil unrest. The IRGC serves as an "expansible" force built on a cadre model. In peacetime, the units do not possess all their personnel or equipment, but would receive fillers and the rest of their equipment in the event of a crisis. The Basij militia, a reserve element subordinate to the IRGC, would fill out the IRGC's ranks in the event of a mobilization.<sup>43</sup>

In 1988, the Iranian government placed the IRGC under the Ministry of Defense structure with a single General Command Headquarters of the Armed Forces (GCHQ). The new relationship generated multiple changes to uniforms and the institution of a professional development pattern similar to that of the regular forces. 44



The IRGC espouses three primary missions:

- Defend the Islamic Revolution within Iran against opponents
- Aid Islamic groups abroad
- Defend Iran's borders and territory in the event of attack

The IRGC selected and trained a number of their key officers who now serve in senior positions at the top of political, economic, and religious hierarchy throughout Iran.

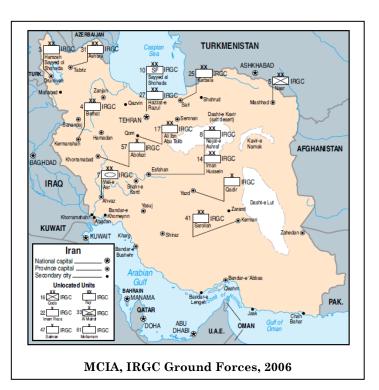
The IRGC contains a formidable force of true believers, the majority of whom apparently will accept death to repel any invader. At the same time, the IRGC participates in the corruption that plagues Iranian society and its economy that includes smuggling, weapons dealing, and counterfeiting. In 2008, the US treasury placed an IRGC general in a threat report titled *Treasury Designates Individuals, Entity Fueling Iraqi Insurgency*, and a number of Iranian terror proxies related to IRGC operations in Iraq. <sup>45</sup> The IRGC extends its tentacles into almost all of Iran's various economic enterprises and weapons development facilities, especially nuclear.

# IRGC GROUND FORCES

The IRGC claims to direct 20-24 infantry divisions, two armored divisions, and an assortment of independent brigades: infantry, artillery, armor, special operations forces, airborne, and engineer. In reality, the IRGC may possess only 13 infantry divisions. Small cadres may man the other units or exist only on paper. Also, many divisions contain the manpower and equipment equivalent to a Western-style army brigade. The independent brigades also contain much cadre and may actually exist more like large battalions. In an emergency, the Basij militia would fall in on the current organization. Some experts contend that the IRGC possesses a total active strength of approximately 120,000 personnel.

The IRGC suffers from the same equipment shortfalls as their regular counterparts, but possesses superior morale and motivation compared to the Artesh. The IRIGF and the IRGC do not work as a joint force in the field. Below the national level, the Artesh and IRGC do not fight as a joint force. The two separate military forces compete for attention, resources, and precedence. The IRIGF considers itself the guardian of the nation, the Islamic Revolution's protector, and the key for the theocratic maintenance of power. 46

Equipment by type and number used by the IRGC ground forces does not differ significantly from their regular counterparts. Since it is impossible to ascertain just how much belongs to each of the forces, the IRIGF discussion included all equipment and personnel totals.



#### IRGC AIR FORCE

Iran created the IRGC Air Force in 1992 with its own commander and around 5,000 personnel. Analysts find their units difficult to determine, but it is known that they fly Iran's 10 Brazilian-made EMB-312 Tucanos, a primary air-to-ground attack aircraft. They also use 45 PC-7s and 22 MFI-17s, Pakistani-produced Mushshak training aircraft.<sup>47</sup>

The IRGC Air Force does not pose a significant threat to any major air power, but they do control the nation's ballistic missile and rocket force. This knowledge becomes helpful when analysts attempt to identify units' orders of battle and dispositions. Iran controls the largest inventory of ballistic missiles in the Middle East. The US intelligence community remains concerns that Iran may integrate nuclear weapons into its ballistic missiles. 48

Launch sites on the Iranian coast at Sari and Khuzestan and on several of the Arabian Gulf islands (Qeshm, Larak, and Abu Musa) directly across the Strait of Hormuz from Oman contained 12 Chinese-built SEERSUCKER launchers. The Iranians divided the missiles and launchers into three batteries containing four launchers each. The Nazeat rockets that support the SEERSUCKERS can move by road, and the solid-propelled rockets enjoy a 150 kilometer range.<sup>49</sup>

Iran decided to build its own ballistic missile capability after Iraq attacked it with such weapons in the early 1980s. Iran bought SCUD B/C variants from Russia, China, and North Korea. Iran reverse engineered the Shahab-3 missile and designed it to reach Israel and multiple, regional US interests. The B variant gave the Iranian missiles a range of approximately 320 kilometers, while the C variant extended the missile's range to 500-550 kilometers. In addition to the SCUDs, the Iranians embarked on an extended effort to obtain a medium range ballistic missile (MRBM) capability. The reverse engineered Shahab-3 can strike targets 1,300 kilometers downrange. Although the MRBM demonstrated reliability, the Shahab-3 bestowed the Iranians with regional

clout, as it brought Turkey, Israel, Saudi Arabia, and Egypt within its MRBM range fan. These missiles, coupled with Iranian nuclear power, explain the nervousness of states throughout the region about Iran's growing strategic offensive possibilities. These new missiles resemble North Korea's experimentation and development of the Taepo-Dong that caused much consternation in the Far East in 2006.

Iran tests most of its surface-to-surface missiles (SSM) at Sharud, located 200 miles east of Tehran. <sup>51</sup> Iran also built a missile tracking station at Tabas, 250 miles southeast of Tehran. Semnan, 175 miles east of Tehran, also contains another launching range with test facilities. <sup>52</sup> It appears that the Iranians learned quickly from the North Koreans because they place their missile sites in tunnels and harden their strategic-operational missile sites in similar fashion. <sup>53</sup> The Iranians obviously used these tactics to defend these key assets from an attack by a superior air power.

# NUCLEAR WEAPONS

The nuclear and ballistic missiles program is the responsibility of the IRGC (For more information, see page 1-2-20 in this variable: <u>Nuclear</u>, Biological, and Chemical Capabilities.)

#### IRGC NAVAL FORCES

The 20,000-man IRGC naval forces suffer from many of the same equipment problems as the IRIN. At the same time, the IRGC Naval forces control Iran's most capable surface combatants—the HOUDONG guided missile patrol craft, other small boats, and coastal defense battery sites. They employ Iran's anti-ship cruise missiles, such as the HY-2 Seersucker and the Chinese C-802s. Unlike the IRIN that operates from larger, fixed port areas on the Iranian coast, the IRGC Navy established itself on four disputed islands and on oil platforms located offshore in the Arabian Gulf. The islands include Al Farsiyah, Sirri, Abu Musa, and Larak; Bandar-e Abbas houses the IRGC Navy's only major base on the Iranian mainland.<sup>54</sup>

The IRGC Navy operates in small units that are capable of local, semi-independent action. Like their regular counterparts, the IRGC also possesses naval riflemen (formed up in two brigades) and naval commandos. The riflemen perform defensive duties on the islands and very limited amphibious actions. The naval commandos, unlike the IRIN marine commandos, conduct raids from surface vessels or aircraft. Their title differs from their IRIN counterparts because their organization did not base itself on the British Royal Marine concept. The Navy commandos possess superior small boat handling and swimmer skills. The IRGC Navy often employs "swarm" tactics, where several small craft conduct hit and run attacks against larger vessels and then seek shelter in coastal areas.

On 23 March 2007, the IRGC Naval forces seized 15 British Royal Navy sailors for violation of Iranian waters in the Shatt-al-Arab. Iraq and Iran disagreed on the demarcation line that separates the two countries and the dispute continues to this day. The British claimed that under the authority of a UN resolution, they could inspect vessels for suspected smuggling. Iran eventually released the British sailors after negotiations. Again, the incident points out the strategic importance of the Shatt-al-Arab near the Strait of Hormuz as a flash point between Iraq and Iran.

# **QUDS FORCE**

The IRGC's Quds (Jerusalem) Force is under the control of the IRGC's intelligence directorate (*See the Information variable*.) This unit possesses an estimated 1,000 operators that are considered elite troopers.<sup>55</sup> The Quds Force is responsible for covert operations including lethal aid, intelligence, financing, and training.<sup>56</sup> The US Department of Treasury stated in 2007 that the organization

provided support to the Taliban, Lebanese Hezbollah, HAMAS, Palestinian Islamic Jihad, Shia Special Groups in Iraq, and the Popular Front for the Liberation of Palestine-General Command (PFLP-GC).<sup>57</sup>

The report also stated that Iran arranged shipments of small arms and associated ammunition—such as rocket-propelled grenades, mortar rounds, 107mm rockets, plastic explosives, and probably man-portable defense systems—to the Taliban.<sup>58</sup>

#### MILITARY FUNCTIONS

Overall, IRIGF capabilities exhibit significant weaknesses in their conventional capabilities, to include:  $^{59}$ 

- Non-mechanized infantry units dominate the force structure
- Generally old and poorly maintained equipment
- Primitive and localized C<sup>2</sup> and intelligence capabilities
- A lack of a truly integrated air-ground system
- Limited logistics infrastructure
- A lack of highly trained technical personnel
- Insufficient spare parts
- Current force structure exceeds available manpower and equipment (hollow army)
- The country's large size, rugged terrain and strategic depth constitute major obstacles for any possible invader, but also present the Iranians with even greater mobility challenges<sup>60</sup>

Iranian battle management and communications capabilities remain limited. Iran's communication equipment consists mostly of aging VHF radios with some HF and UHF capabilities. Most of the Iranian communications equipment cannot handle high traffic densities and Iran does not possess secure communications capability. 61 Although the Iranians advocate the tactics of maneuver and combined arms warfare, they do not possess the ability to fight as such. Their culture, compartmentalized command structures, equipment, training, and lack of experience in maneuver warfare all hinder the Iranians' ability to fight a modern, industrialized, and mobile force. The Iranians realized the gravity of these problems and attempted to mitigate them by increased military education and professionalism in both the Artesh and the IRGC.

Additionally, the Iranians conducted military exercises that combined all components for both forces in a joint exercise. 62 The Iranian military is attempting to alleviate their shortcomings, but they still possess an infantry intensive force that relies on mostly towed artillery and outdated aviation assets for its main support. One of the largest problems faced by the Iranian military concerns the large number of infantry and their shortage of armored personnel carriers. Even with the defense industry build-up and increased training, the Iranians still cannot meet the requirements necessary to fight maneuver and combined arms warfare against a technologically superior force. (See <u>Annex B</u> for more details on numbers and types of military equipment.)

#### COMMAND AND CONTROL

Iran possesses the only government in the world in which the executive branch does not control the military. Instead, the Supreme Leader, not the president or prime minister, serves as the military's commander-in-chief and maintains sole authority to declare war and peace. He controls the Islamic Republic's intelligence and security directorates and sets the country's foreign and domestic goals. The Supreme Council for National Security (SCNC), under nominal control of the president, acts in

an advisory capacity whose purpose lies in the preservation of the Islamic Revolution, protection of Iranian physical territory, and the maintenance of national sovereignty.

The military's chain of command does not include the SCNC, but its members include many of those commonly associated with national security issues. Membership includes the Iranian president; speaker of parliament; head of the judiciary; chief of the combined general staff of the armed forces; ministers of foreign affairs, intelligence, and interior; two additional representatives appointed by the Supreme Leader; and heads of the IRGC and Artesh. The Supreme Leader also embedded his personal representatives in the SCNC. Day-to-day functioning of the armed forces falls upon the joint headquarters, so named because both the IRGC and National Army fall under its command.

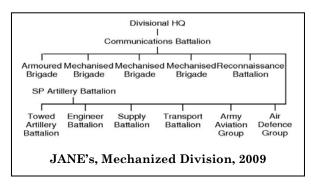
Unlike the Iraqis, who placed little emphasis on small unit leader initiative, the Iranians learned this necessity in the Iran-Iraq War. With recognition of their deficiencies, the Iranians developed a ground war doctrine that embodied the following concepts: They understand that they could not defeat a technologically superior opponent. Since the early 1990s, this understanding explains why the Iranians chose an adaptive warfare doctrine. Second, Iran knew that since it could not defeat a modern military with a force-on-force engagement, the Iranians needed to emphasize unconventional warfare, covert action, and terrorism to maximize the use of defensive terrain advantages and/or in the future weapons of mass destruction.

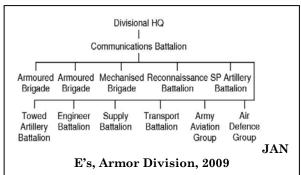
Iran's lack of a robust, interoperable ground communications system creates one of its greatest weaknesses. Iran experiences communications difficulties within the various military branches and even more difficulties between the other services or the IRGC. The US manufactured most Iranian communications equipment, but it dates from the 1960s.

# TACTICS (MANEUVER)

As the last significant force-on-force conflict the Iranians engaged in, the Iran-Iraq War provided several lessons learned. Based on Iranian tactics from this conflict and data from recent exercises, the Iranian ground forces prefer massive infantry assaults with large concentrations of artillery and helicopter close air support. Preparatory fires and extensive reconnaissance signal a future Iranian attack. The Iranians do not use armor effectively, but reports indicate some improvement in tactics. The Iranian military fails to successfully integrate infantry and armor into a combined arms fight. 63

The Iranian Ground Forces currently employ tactical control measures like most armies do today. These include assembly areas, forming-up places just prior to attacks, advance axis, check points, jump-off lines (similar to Western lines of departure), and attack lines. The Iranian military will likely engage hoping to push back invaders or buy time for mobilization of reserves and the adaptive doctrine to begin.





# INFORMATION WARFARE

(See Information variable, INFOWAR.)

# RECONNAISSANCE, INTELLIGENCE, SURVEILLANCE, AND TARGET ACQUISITION (RISTA)

There remains a lack of creditable open source information on ground-based RISTA, but Iran does have UAV capability along with certain planes with reconnaissance capability. The military likely uses the infantry in small squad- and team-size elements to move forward to observe enemy activity. (See Information variable on intelligence collection capabilities. Also see 1-2-5 <u>UAV</u>s in this variable.)

# OFFENSE MANEUVER & LOGISTICS

Offensive operations typically take place in four phases: planning, maneuver from the start line to the attack line, maneuver from the attack line to the target, and consolidation on the target. The Iranian ground forces favor small unit infiltration of enemy positions, especially in inclement weather conditions or over rough terrain. Iranian offensive tactics encompass two primary ideas. First, the Iranians prefer to attack at night, so they initiate the attack to achieve the objective and consolidate all under the cover of darkness. The reduced-visibility attacks negate the opponent's tactical advantage due to superior reconnaissance. Second, the Iranians' lack of mobility and limited logistics force their ground troops to conduct methodical attacks against limited objectives. Iranian ground forces in the Iran-Iraq War also spread their forces across a broad front in an attempt to discover the enemy's weak points. They then followed with sequential attacks as they hoped to achieve a breakthrough or at least deplete Iraqi reserve forces. The Revolutionary Guards Corps conducted human mass wave attacks in the Iran-Iraq War, not the IRIGF.<sup>64</sup>

The Iranian ground forces do not possess the equipment or logistics to exploit breakthroughs or engage in extensive pursuit operations. However, they have been attempting to such resolve issues with greater warehouses and logistical infrastructure.<sup>65</sup>

# DEFENSE (FIRES, PROTECTION)

Iranians conduct two types of defenses: positional and roving. Iran positions their defensive ground forces in three belts: the protection force, the forward defense force, and the reserve force. In the defensive positions, Iran relies heavily on artillery. The Iran-Iraq War illustrated that Iran was superior at target acquisition and shifting fires. The Iranians, however, failed to develop the kind of coordinated fire that would make their artillery fully effective in the support of combined operations. Iranians use artillery fire to strip the enemy's infantry from their armor and then bring the latter under fire from anti-armor weapons. Iranian anti-armor fires in the Iraq War proved largely ineffective due to a lack of training and the failure to mass fires. The Iranian military calls defensive final protective fires "rescue fires." [For more information on force protection see page1-2-17, Doctrine, on survivability.)

#### LOGISTICS

Reportedly the Iranians maintain a 60- to 90-day logistical supply available to support their units on their southern coast based in warehouses, underground storage bunker, and port facility construction at Bandar-e Abbas, Jask, and Chah Bahar. Iran possesses an adequate logistical distribution network to support inland units, but air interdiction and naval forces make the network vulnerable. <sup>67</sup> In the Iran-Iraq War, Iranian logistics proved relatively crude and not completely

effective. The Iranians however upgraded their logistical lines after they learned from their past mistakes.

# **Engineer Support**

Open sources reveal relatively little current information on Iranian engineer numbers, tactics, or assets. In the Iran-Iraq War, however, Iranian combat engineers suffered from a lack of minefield breeching equipment that led them to adopt a well-developed engineer/sapper reconnaissance system. The Iranian ground forces also enjoy a very good reputation for breeching water obstacles. Some reports indicate that, in training, the Iranians constructed a field bridge 20 kilometers in length. The Iranians demonstrate that their forces possess the skills to conduct deliberate floods and the will to create water obstacles to slow their opponents' movement. Through combat and observation of training, the Iranians demonstrate the ability to lay anti-personnel and anti-vehicle mines by hand, machines, helicopters, and rocket artillery. 68

#### IRANIAN MILITARY STRATEGY AND DOCTRINE

#### HISTORICAL MOTIVATION

As with most nation states, Iran's military strategy usually reflects the country's political agenda. A country's history and geopolitical position also influence their strategy. Internal and external factors shape the armed forces' structure, their capabilities, the equipment developed or purchased, and the strategic and tactical deployment of the equipment. Iran does not differ in this regard, and to understand Iranian military strategy requires an understanding of its basic political foundations.

For centuries, outside world powers controlled Iran. This included the Russians, the British, and the US after World War II. Iran historically considers itself a victim—victimized by Russia, the "West," and by the major Sunni national powers (see Time variable). In recent history, Iran's experiences with the US only escalated such feelings. Many Iranians hold the US completely responsible for the 1953 coup that overthrew the Mossadeq Government, and the US precipitated the 1979 hostage crisis when it provided asylum to the deposed Shah, Mohammed Reza Pahlavi.

The ouster of Iraq's Saddam Hussein in 2003 and the deployment of 180,000 American troops into Afghanistan and Iraq only strengthened the Iranian belief that the US next planned to target their country for an attack. When US President George W. Bush identified Iran as one of the three key players in "the axis of evil" in his 2002 State of the Union address, it only reinforced most Iranians' previously held beliefs. Given the last 200 years of Iranian history, many of their citizens believe that the Western industrialized nations want to continue to exploit their country for the benefit of their own economies and energy needs.

The chaos on Iran's eastern and western borders—along with the Soviet Union's demise in the north—only increased Iran's historic xenophobia. Since the end of the Soviet Union, Iran's neighbors (Azerbaijan, Turkmenistan, and Uzbekistan) failed to produce much semblance of a stable society. Turkey, a NATO member, competes with Iran to serve as the strongest regional power with influence in northern Iraq and Azerbaijan. More Azeris live in northwestern Iran than in the entire county of Azerbaijan. Pakistan serves as the bastion for Sunni Muslims, and fomented trouble for Iran by their support of the Taliban within Afghanistan.

#### STRATEGY

Based on its history—distant past as well the recent past—the Iranian military espouses four major strategic imperatives. First, it wants to become the dominant regional military power. Second, the Iranian military possesses the strength to defend its borders, control the Straits of Hormuz, and control the Gulf littoral area to deny their access to hostile powers. Third, Iran must undertake a military modernization and rearmament program to reach their goals. This program emphasizes weapons of mass destruction because some Iranians think these weapons will put them in the league of their greatest potential enemy, the US (or "the Great Satan," as described by Ayatollah Khomeini). This explains the Iranians' effort to achieve a nuclear capability. Iran's final imperative remains the global deployment of smaller clandestine IRGC units to train and equip other anti-Western factions (Yemen, Lebanese Hezbollah.) This scenario creates two advantages for the Iranians as it disrupts US interests, and it creates an outlet for the sale of weapons by the blossoming Iranian military complex.<sup>69</sup>

Actual combat by Iranian forces, their engagements with other countries short of war, and the study of war all influence Iranian military doctrine. The primary influence on Iranian military doctrine comes from the Iran-Iraq War, and most Iranian senior military leaders are veterans of that conflict. Many "hardliner" veterans within the Iranian hierarchy rationalize that innovative tactics, self sacrifice, and the Iranian people's faith overcame a technologically superior Iraqi force.<sup>70</sup>

#### DOCTRINE

Iran examined the lessons learned from the Hezbollah's 2006 conflict against Israel in the Gaza Strip, and concluded that the war served as a good example of high technology force versus a relatively low technology force. Iran also closely monitored the US military led efforts in DESERT STORM (1991), and ongoing Operations ENDURING FREEDOM (2001) and IRAQI FREEDOM (2003) in Afghanistan and Iraq to determine appropriate tactics and strategy. The Iranians concluded that a technologically superior force would quickly overwhelm the Iranian military forces

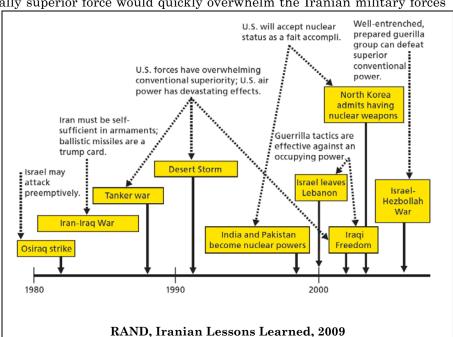
in a direct force-on-force confrontation similar to what happened to the Iraqis in 2003.

In response these observations, Iran defensive changed its military doctrine into a flexible plan to compensate for its ground force limitations (communications; intelligence surveillance reconnaissance [ISR]; and nodes). Iranian "asymmetrical warfare

doctrine" intends to delay

any invader long enough to allow Iran time to

mobilize its "manpower"



base.<sup>71</sup> The mobilized force would then continue to use unconventional warfare tactics to halt the invasion.

MCIA reports that Iran's adaptive plan would consist of the following:

- Popular resistance—Iran would direct that all able-bodied Iranians (with an emphasis on the Basij) need to rise up in support of the combat forces or to directly engage the invaders.
- Conventional forces and equipment employed unconventionally—The Iranian military
  plans to reorganize its ground forces due to a lack of mobility, to maximized firepower,
  and allows or decentralized C2. The 2006 Hezbollah conflict demonstrated the success of
  these tactics with rockets and anti-tank weapons.
- Mobility—Iran knows that speed is imperative to engage a technologically advanced enemy.
- Survivability—Iran's military will attempt to minimize damages by the invaders' high value target (HVT) dispersion, camouflage, concealment, and deception.
- Relatively autonomous small-unit operations—Iran plans to break the military up into a Hezbollah-type, military-like organization that relies on self-sufficiency, creativity, initiative, and innovation. Reports indicate that the Iranians acquired equipment such as motorcycles, light trucks and Jeep-like vehicles, and man portable air defense systems (MANPADS) to support asymmetrical warfare. This mobile military equipment costs less than major military equipment. Iran can purchase more but smaller military equipment in its struggling economic environment. The equipment also works remarkably well to suppress potential internal civil unrest as observers watched motorcycling Basij beat protestors after the 2009 election. Iran knows that OEF and OIF also utilized such vehicles successfully against US forces. This lower-cost equipment enhances the Iranian ground forces' mobility and, possibly, survivability on the battlefield against a technologically superior enemy.<sup>72</sup>

#### GOVERNMENT PARAMILITARY FORCES

The Iranian government tasks Iranian paramilitary forces (government forces that are distinct from regular armed forces, but resemble them in organization or training, such as police) with the following missions: basic law enforcement, border control, and maintenance of "public order." The agencies in Iran with these responsibilities include the Ministry of Intelligence and Security (MOIS), the Law Enforcement Forces (LEF) under the Interior Ministry, and the IRGC that includes the Basij. 73 Analysts estimate that Iran possesses at least 400,000 paramilitary personnel throughout the country. 74 (Numbers tend to differ, and precise information remains obscure due to America's current relationship with Iran.)

When viewed from the Western perspective, the multi-organizational paramilitary presents an illusion of chaos and disarray. The multifaceted institutional structure, however, does not find itself in a state of constant anarchy (such as it might appear); the smaller components collaborate in a semi-competent overlapping manner to support the regime's overall agenda. In 2009, however, the US State Department reported that Iran's security forces faced corruption issues and acted with impunity as they conducted serious human rights violations, especially in demonstrations after the 2009 elections.<sup>75</sup>

# LAW ENFORCEMENT FORCES (LEF)

According to Jane's, the Iranian Government formed the LEF in 1991 by the merger of the police, gendarmerie, and the revolutionary committees. The Iranian LEF conducts law enforcement, border control, and maintains internal civil order. The Supreme Leader approves the LEF chief recommended by the president even though the organization falls under the Ministry of Interior. Multiple units overlap, such as the Social Corruption Unit and the Public Establishment Office (Edareyeh Amaken Omumi) that attempt to weed out unacceptable, lewd social behaviors such as questionable clothing or music and public interaction between males and females.

In 2007, the Iranian Government announced a new program to improve the border regiment's equipment. The government plans to provide more modern technology to strengthen border security as a method to combat anti-smuggling factions and terrorist groups that pose serious threats to the State. In late 2008, General Esmail Ahmadi Moqaddam stated that after public security, the LEF's biggest concern involved control over Iran's borders.<sup>77</sup>

# THE BASIJ

The IRGC also commands the Basij—another category of reserve military personnel. Translated, the Basij means "Mobilization of the Oppressed." This militia came about in the 1979 Revolution, but gained prominence in the 1980s Iran-Iraq War. The Basij became famous when young boys martyred themselves in suicidal human wave attacks against the Iraqis.<sup>78</sup>

The Basij attempts to preserve the revolutionary spirit while the imams remain in power and form the basis of the manpower for mobilization of the populace in an emergency. The Iranian government appears to organize the Basij geographically around their local cities or districts. Basij Ashura battalions contain only males while the Basij Al-Zahra battalions contain only females. The Iranian government subordinates the Basij units to the IRGC and would use their personnel to fill out the IRGC in a large scale conflict. Actual Basij members probably number around 300,000 with the potential to mobilize 1,000,000 more, although Iran publicly claims numbers as high as twelve million. 79

In addition to traditional military operations, Basij units perform civil support missions. In the past, Basij units assisted with public health activities, assisted in construction projects, guarded administrative centers, assisted the police, and even took part in antinarcotics operations in northeastern Iran. The government considers the Basij's main role to be internal security. Oniversities and technical centers contain Basij members and reports indicate that many are religious hardliners. Some RAND reports state, however, that the government disenfranchised some Basij members, but they remain for the financial benefits.

# NONSTATE PARAMILITARY FORCES

Nonstate paramilitary combatants include any forces or groups that are distinct from regular armed forces of any country, such as insurgent groups or criminal organizations. Despite a lack of official reports on criminal enterprises, the drug trade and weapons trade remain lucrative businesses within Iran. Jundallah and Mujahedin-e Khalq represent the non-state paramilitary combatants operating within Iran.

# JUNDALLAH OVERVIEW

A Baluchi insurgent group known as the Jundallah operates in Pakistan's Baluchistan Province as well as in Iran's Sistan Baluchistan Province. While difficult to ascertain the actual numbers from open sources, the group likely controls fewer than 5,000 active members. The group possesses limited reach capability and carries out only local attacks. Jundallah uses well planned and coordinated suicide bombings and small unit attacks. Emir Abdul Malik Baluch, known as Abdul Malik Rigi, founded the group in 2003. Baluch still leads Jundallah today, but he renamed the group the Peoples Resistance Movement of Iran. Their mission remains to fight against the political and religious oppression of Iran's Sunni minority. 83

# **Recent Activity**

The Jundallah remains active within Iran as well as in Pakistan. In October 2009, the group attacked and killed 31 Iranians along with several top IRGC commanders. The group denies any links to the Taliban or al-Qaeda. Analysts believe Jundallah maintains ties with drug smugglers and provides security for them on the lucrative smuggling route from Afghanistan to Western Europe. The Iranian government claims that the Jundallah serves as a US clandestine operation and that the US orchestrated the October attack.<sup>84</sup>

# MUJAHEDIN-E KHALQ (MEK)

Most of the MeK, another anti-government group, reside in Iraq. Reports indicate that the MeK control several thousand members, and analysts classify one-third to one-half of this number as fighters. Since 2001, however, MeK membership has dwindled.<sup>85</sup>

Created in 1965, the MeK's basic philosophy contains a mixture of Marxism and Islamic ideas. After the 1979 Revolution, the new Iranian government expelled the organization from Iran. In the 1980s, the group supported Saddam Hussein's regime in Iraq. Historically, the MeK conducted both anti-Western attacks and terrorist attacks in support of the Iranian clerical regime in Iran and abroad. After the 2003 Iraq invasion, the Iranian Government accused Pakistan that they funded the MeK and the US CIA supported the MeK in attempts to sabotage Iran. The MeK still advocates the Iranian regime's overthrow and its replacement with the group's own leadership. The MeK still advocates the Iranian regime's overthrow and its replacement with the group's own leadership.

# **Recent Activity**

In recent years, very few open source reports on MeK exist. The group currently resides in Iraq, but the current Iraqi government wants for the MeK to relocate back to Iran.

#### NONMILITARY ARMED COMBATANTS

The only armed semi-organized nonmilitary armed combatant group (nonmilitary personnel but not part of an organized paramilitary or military structure) in Iran remains the Ansar-e Hezbollah. This group serves as an extremist Islamist vigilante group with a close relationship to the Iranian clerical regime. The group takes a hardliner perspective on social issues and tends to spew anti-US sentiment. One of the senior members, Hamid Ostad, stated in August 2005 that they would consider the use of suicide bombers against US forces and US interests anywhere in the world due the "threat" of the US. The group recruits most members from the Basij or Iran-Iraq War veterans. The Ansar-e Hezbollah works "unofficially" with the Basij and other law enforcement agencies. The group tends to target individuals who appear to possess Western views and/or anti-Islamic views. 88 In 2008, Jane's estimated the Ansar-e Hezbollah possessed 5,000 members.

# NUCLEAR, BIOLOGICAL, AND CHEMICAL CAPABILITIES

#### NUCLEAR

Over the past two decades, Iran carried out secretive research in support of its uranium enrichment program in direct violation of the policy set forth by the International Atomic Energy Agency (IAEA).<sup>89</sup> Iran, during this time period, strongly refuted any claims that it sought nuclear weapons. Former Director of National Intelligence, John Negroponte, stated that Iran would not possess the ability to possess a nuclear weapon until the middle of this decade (2015).<sup>90</sup> Covertly, Iran pursues a dual parallel uranium enrichment program: one program uses a laser process (based on Russian technology) and the other consists of a centrifuge process.<sup>91</sup> In 2001, the Russian Government terminated cooperation with Iran on the laser enrichment program after extensive dialogue with the US, and the program still appears inactive.<sup>92</sup> In February 2004, Iran admitted that they obtained uranium centrifuge technology through unofficial channels. Dr. A.Q. Khan, a key leader in the Pakistan's nuclear weapons program development, confessed that he provided similar technology to Iran, Libya, and North Korea.<sup>93</sup>

# NUCLEAR WEAPON BREAKOUT CALCULATIONS

The IAEA bases its nuclear weapons "breakout capability" on a scenario that involves the enrichment of low enriched uranium (LEU) up to weapons-grade uranium. The organization reported in June 2009 that this enrichment process could take place within three to six months at either the Natanz facility or a clandestine gas centrifuge facility. His indicates that Iran possesses growing nuclear weapons capabilities. The report reports that they cannot conclude whether or not Iran intends to pursue the nuclear weapons option. As of February 2009, Iran accumulated sufficient LEU to be able to enrich enough weapons-grade uranium for one nuclear weapon. He was a scenario that involves the enrichment of the service of the serv

The Supreme Leader holds ultimate authority over Iran's nuclear policies and the IRGC plays a role in Iran's weapons development. A nuclear-armed Iran would most likely encourage the leadership within in Iran to take an aggressive posture that would project its aspirations mostly within the region (but not limited to it). Iran's leadership also likely would hypothesize that a nuclear arsenal would shield it from any military retaliation, and could increase the likelihood that Iran may project military force against the US military and its allies within the region, the greater Middle East, Europe, and Asia. 96 Iran's possession of a nuclear weapon would also aggravate and intensify regional tensions, especially with Israel. Israel would be in a difficult position that could reach a point that pressures the country into military action against Iran's nuclear facilities. Such an attack by Israel could result in retaliation, regional unrest, and an increase in terrorist attacks by Iranian proxies. 97

# KEY FACILITIES

BBC reported key Iranian nuclear sites:98

- QOM: Uranium enrichment plant that is located on a mountain on a former Iranian Revolutionary Guards missile site (northeast of Qom) off the Qom-Aliabad highway.
- BUSHEHR: Nuclear power station at Bushehr.

- ISFAHAN: Uranium conversion plant in Iran. A nuclear research facility to convert uranium into three forms: Hexafluoride gas, used in gas centrifuges; Uranium oxide, used to fuel reactors, albeit not the type Iran is constructing; and Metal, often used in the cores of nuclear bombs. The IAEA is concerned about the metal's use, as Iran's reactors do not require it as fuel.
- NATANZ: Uranium enrichment plant. This is the facility at the center of Iran's dispute with the United Nations Security Council. The Council is concerned that the technology used for producing fuel for nuclear power can be used to enrich the uranium to a much higher level to produce a nuclear explosion.
- ARAK: Heavy water plant. Heavy water is utilized in the nuclear fission chain

Bonab

Ramsar

QOM

Tehran

IRAN

ISFAHAN

Saghand

Yazd

BUSHEHR

Uranium mine

SOURCE: 1155/New Scientist
Global Security

BBC, Key Nuclear Sites in Iran 2009

reaction either in a certain type of reactor—again, not the type that Iran is currently building—or to produce plutonium for use in a nuclear bomb.

#### **CHEMICAL**

It remains likely that Iran possesses an offensive chemical weapons research and development capability. 99 In the Iran-Iraq War, the Iranians became one of the few military forces in modern times to suffer chemical attacks in combat. Those attacks instilled fear in the Iranian ground troops. Iranian chemical training and equipment proved insufficient; bearded Shia soldiers faced difficulties in the maintenance of a good seal on their protective masks. In 1997, the CIA reported that Iran possessed some 2,000 tons of choking, blister, and blood agents. Analysts also believe Iran possesses chemical nerve agents. 100

#### BIOLOGICAL

There remain no reliable open source reports on Iranian biological capability. Iran, however, probably operates an offensive biological weapons program. <sup>101</sup> In time, the Iranians will probably adapt their UAVs and strategic ballistic missiles to deliver chemical and biological agents. Iran possesses biological weapons laboratories at Esfahan in central Iran and Mashhad in the northeast.

# Summary

Over the last 30 years, Iran adapted and learned from the conflicts they participated in or observed. Iran applied lessons learned to create a flexible doctrine and an effective two-prong military organization with emphasis on special operations (IRGC). The Iranians focus on adaptive warfare for their ground forces with emphasis on a ballistic missile program and nuclear program to serve as a military deterrent against outsiders. Iran may use their missile and nuclear programs as negotiation tools with the world community.

Iranian military doctrine concentrates on both the high and low end adaptive warfare. Against a modern industrialized Western enemy such as the US, the Iranians hope to obtain a nuclear weapon to deter an invasion or persuade US allies, like the Israelis, that any intervention could quickly cross the nuclear threshold. At the low end, special operational units such as the Basij and the IRGC would most likely adopt activities to make any invasion costly to the invader. The Quds Force and other intelligence organizations give the Iranians the capability to cause trouble throughout the world through terrorist actions and infiltration of Iranian communities. The Iranians know that they do not possess the equipment or training necessary to match a modern force in conventional combat. Most major exercises conducted in 2009 concentrated on ballistic missile firings.

Even though the Iranian Government nominally unified the regular and IRGC military forces, the Iranian military does not possess the normal unity of command and fails to work jointly. Iran continues to stay below the "Red Line" level when they confront the United States, such as with the 1979 hostage crisis or the "tanker war." While Iran acted provocatively, they did not do enough to cause the US to conduct a massive retaliation.

If a technologically superior military invaded Iran, Iran would wage a major homeland defense effort which would be very costly to any invader. If a modern, industrialized Western power attacked Iran, Iran would eventually succumb, but at much devastation to their country as has happened throughout its long history. Iranian nationalists would inevitably carry out an insurgency against any invader, Arabic or Western.

# Annex B

Chart 1: Equipment (Iranian Armor)

Type	Manufacturer	Role	Original	In Service	First
7.16	D.C. I.I	M: D: I m 1	Total 170		Delivery
Zulfiqar	Defence Industries Organisation	Main Battle Tank	150	1501	1994
T-72/T-72S	Various	Main Battle Tank	480	480	1993
T-72M1	Various	Main Battle Tank	104	n/a	1994
Safir-74	Defence Industries Organisation	Main Battle Tank	n/a	n/a	1996
Type 72Z	Defence Industries Organisation	Main Battle Tank	n/a	n/a	1996
T-54/55	Various	Main Battle Tank	n/a	320	1981
Type 59	NORINCO	Main Battle Tank	750	220	1982
T-62	North Korean state factories	Main Battle Tank	200	75	1981
Type 69-II*	NORINCO	Main Battle Tank	240	2002	1986
Chieftain Mk 3/5	BAE Systems	Main Battle Tank	894	150	1971
M47M	General Dynamics	Main Battle Tank	400	n/a3	n/a
M48A5	General Dynamics	Main Battle Tank	150	1503	n/a
M60A1	General Dynamics	Main Battle Tank	355	1503	1969
Tosan	IRGC facility at Khorramad	Light Tank	n/a	n/a	n/a
BRDM-2	Arzamas Machinery Plant	Reconnaissance Vehicle 50		n/a	n/a
Scorpion	BAE Systems	Reconnaissance Vehicle			1977
EE-9 Cascavel	ENGESA Engenheiros Especializados SA	Reconnaissance Vehicle	130	80 35	1980
BMP-1	Kurganmashzavod Joint Stock Company	Infantry Fighting Vehicle	350	2501	1982
BMP-2	Kurganmashzavod Joint Stock Company	Infantry Fighting Vehicle	400	400	1993
Boraq	Defence Industries Organisation	Armoured Personnel Carrier	140	140	1997
BTR-50/60	Former Soviet state factories	Armoured Personnel Carrier	n/a	300	1967
M113A1	BAE Systems	Armoured Personnel Carrier	230	2001	1968
BMT-2 (Cobra)	Defence Industries Organisation	Armoured Personnel Carrier	Armoured Personnel n/a n/a		n/a
Rakhsh	Defence Industries Organisation	Armoured Personnel n/a Carrier		n/a	n/a
Type WZ 501	NORINCO	Armoured Personnel Carrier	300	n/a	1986
			i .		

Notes:

Estimated. Some T-69-II tanks may be converted to fit the Pakistani 105 mm gun. Some or all of the M47/M48/M60 US-designed vehicles may have been withdrawn from service to be converted into Zulfinar tanks.\*

 $\label{lem:complex} \begin{tabular}{ll} designed vehicles may have been withdrawn from service to be converted into Zulfiqar tanks.* \\ JANE'S, http://www8.janes.com/Search/documentView.do?docId=/content1/janesdata/sent/gulfsu/irans110.htm@current&pageSelected=allJanes&keyword=tank&backPath=http://search.janes.com/Search&Prod_Name=GULFSU&keyword=, 2009 \end{tabular}$ 

Chart 2: Equipment (Iranian Artillery)

Туре	Manufacturer	Role	Original Total	In Service	First Delivery
155 mm Raad-2 (Thunder- 2)	Defence Industries Organisation	Self-Propelled Gun- Howitzer	n/a	n/a	1997
122 mm Raad-1 (Thunder- 1)	Defence Industries Organisation	Self-Propelled Gun- Howitzer	n/a	n/a	n/a
203 mm M110	PCF Defense Industries	Self-Propelled Howitzer	38	30	1973
170 mm M1978 Koksan	North Korean state factories	Self-Propelled Gun	30	30	1994
175 mm M107	PCF Defense Industries	Self-Propelled Gun	30	22	1975
122 mm 2S1 Gvozdika (M1974)	Russian state factories	Self-Propelled Howitzer	60	60	1994
155 mm M109/109A1/109A1B	BAE Systems	Self-Propelled Howitzer	490	150	1978
155 mm GH N-45	NORICUM	Gun-Howitzer	120	120	1988
203 mm M115	US Government facilities	Howitzer	25	20	1974
155 mm M114A1	n/a	Howitzer	n/a	70	1970
155 mm HM41	Defence Industries Organisation	Howitzer	n/a	n/a	n/a
122 mm D-30 / Shafie D-30 1	Various	Howitzer	550	550	1998
122 mm Type 54 (M-30)	NORINCO	Howitzer	100	100	n/a
75 mm M116	n/a	Howitzer	130	115	n/a
105 mm M56	n/a	Howitzer	20	20	n/a
105 mm M101A1	Rock Island Arsenal	Howitzer	200	130	1966
122 mm Type 60 (D-74)	NORINCO	Field Gun	40	30	1985
130 mm Type 59-1	NORINCO	Field Gun	n/a	$985^{1}$	1982
85 mm D-44	n/a	Divisional Gun	100	80	n/a
107 mm Type 63	NORINCO	Multiple Rocket Launcher	100	n/a	1986
107 mm HASEB (Fadjr 1)	Aerospace Industries Organization	Multiple Rocket Launcher	n/a	600	n/a
122 mm BM-21	Splav Scientific Production Concern	Multiple Rocket Launcher	170	100	1967
122 mm ARASH	Aerospace Industries Organization	Multiple Rocket Launcher	75	50	n/a
240 mm Fadjr-3	Aerospace Industries Organization	Multiple Rocket Launcher	n/a	n/a	n/a
330 mm Fadjr-5	Aerospace Industries Organization	Multiple Rocket Launcher	n/a	n/a	n/a
333 mm SHAHIN 1 / SHAHIN 2	Aerospace Industries Organization	Multiple Rocket Launcher	n/a	n/a	n/a
120 mm M-65	Soltam Systems Ltd	Mortar	200	200	n/a
120 mm DIO	Defence Industries Organisation	Mortar	500	500	n/a
107 mm M30	n/a	Mortar	200	150	1981
37 mm	n/a	Light Mortar	n/a	n/a	n/a
81 mm	Defence Industries Organisation	Mortar	1,000	900	n/a
81 mm M-29	Watervliet Arsenal	Mortar	n/a	n/a	n/a
60 mm M19	Watervliet Arsenal	Mortar	500	500	n/a

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Chart 3: Equipment (Iranian Anti-Armor)

Type	Manufacturer	Role	Original Total	In Service	First Delivery
Shahin 1	Aerospace Industries Organization	Anti-Tank Guided Missile	1,000	1,000	n/a
9K111/Fagot (AT-4 'Spigot')	Former Soviet state factories	Anti-Tank Guided Missile	100	n/a	1993
9M14M Malyutka-M (AT-3b 'Sagger')	Konstruktorskoe Buro Mashynostroyeniya	Anti-Tank Guided Weapon	n/a	n/a	n/a
122 mm Raad-1 (Thunder-1)	Defence Industries Organisation	Anti-Tank Guided Missile	n/a	n/a	2001 1
FGM-77 Dragon	General Dynamics	Anti-Tank Guided Missile	n/a	30	1977
Saeghe / Saeghe 2 (Dragon)	Aerospace Industries Organization	Anti-Tank Guided Missile	n/a	n/a	n/a
BGM-71A	Raytheon	Anti-Tank Guided Missile	n/a	250	1973
Towsan-1 (9K113 Konkurs)	Defence Industries Organisation,	Anti-Tank Guided Missile	n/a	n/a	n/a
Entac	Aerospatiale	Anti-Tank Guided Missile	n/a	90	1966
Red Arrow	NORINCO	Anti-Tank Guided Missile	n/a	n/a ¹	n/a
TOW <sup>2</sup>	Hughes	Anti-Tank Guided Missile	n/a	150	1976
Toophan /Toophan 2 (TOW / Improved TOW)	Aerospace Industries Organization	Anti-Tank Guided Missile	n/a	n/a	2000
40 mm Nafez	Defence Industries Organisation	Anti-Tank Rocket	n/a	n/a	n/a
106 mm M40A1	n/a	Recoilless Rifle	n/a	200	n/a
75 mm M20	n/a	Recoilless Rifle	n/a	200	n/a
57 mm M18	n/a	Recoilless Rifle	150	150	n/a
73 mm SPG-9 Kopye	Ammunition Industries Group	Recoilless Gun	n/a	n/a	n/a
3.5 in M20	n/a	Anti-Tank Rocket	50	50	n/a
RPG-7V	Defence Industries Organisation	Anti-Tank Rocket	490	490	n/a
RPG-22 Neto	Russian state factories	Anti-Tank Rocket	200	200	n/a

 $\label{lem:JANE'S} JANE'S, \underline{http://www8.janes.com/Search/documentView.do?docId=/content1/janesdata/sent/gulfsu/irans110.htm@current&pageSelected=allJanes&keyword=tank&backPath=http://search.janes.com/Search&Prod_Name=GULFSU&keyword=, 2009 \\$ 

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Chart 4: Equipment (Iranian Army Aviation)

Type	Manufacturer	Role	Original Total	In Service	First Delivery
AH-1J SeaCobra	Bell	Helicopter - Attack	n/a	45 1	1974
206 JetRanger <sup>2</sup>	Agusta-Bell	Helicopter - Observation	n/a	36	1969
F27-400M Troopship	Fokker	Transport	n/a	1	1977
F27-600 Friendship	Fokker	Transport	n/a	1	1977
CH-47C Chinook	Meridionali	Helicopter - Transport	n/a	19	1973
Falcon 20E	Dassault	VIP / Light Transport	n/a	1	1976
185A Skywagon	Cessna	Utility	n/a	6	n/a
Turbo Commander 690	Rockwell	Helicopter - Utility	n/a	4	1973
Mi-8 'Hip'	Mil	Helicopter - Utility	n/a	25 <sup>3</sup>	n/a
205A-1 <sup>2</sup>	Agusta-Bell	Helicopter - Utility	n/a	10	n/a
212	Bell	Helicopter - Utility	n/a	16	n/a
214	Bell	Helicopter - Utility	n/a	45	1974
HH-43 Huskie	Kaman	Helicopter - Utility	n/a	2	n/a

 $\label{lem:JANE'S} JANE'S, \underline{http://www8.janes.com/Search/documentView.do?docId=/content1/janesdata/sent/gulfsu/irans110.htm@current&pageSelected=allJanes&keyword=tank&backPath=http://search.janes.com/Search&Prod_Name=GULFSU&keyword=, 2009$ 

Chart 5: Equipment (Iranian Air Defense Weapons)

Туре	Manufacturer	Role	Original Total	In Service	First Delivery
Strela-3 (SA-14 'Gremlin')	Konstruktorskoe Buro Mashynostroyeniya	Man-Portable Surface-to-Air Missile	n/a	200	n/a
Igla-S (SA-24 'Grinch')	Konstruktorskoe Buro Mashynostroyeniya	Man-Portable Surface-to-Air Missile	n/a	n/a	2007
FIM-92A Stinger	Raytheon	Man-Portable Surface-to-Air Missile	50	n/a	1987
9K32/9K32M Strela- 2/2M (SA-7a/b 'Grail')	Former Soviet state factories	Man-Portable Surface-to-Air Missile	n/a	250	1986
HN-5A	China National Precision Machinery Import and Export Corporation	Man-Portable Surface-to-Air Missile	n/a	190	1986
Misagh-1	Shahad Shah Abady Industrial Complex	Man-Portable Surface-to-Air Missile	n/a	n/a	2000
Misagh-2	Shahad Shah Abady Industrial Complex	Man-Portable Surface-to-Air Missile	n/a	n/a	2006
FM-90	China National Precision Machinery Import and Export Corporation	Self-Propelled Surface-to-Air Missile	n/a	n/a ¹	n/a
FM-80*	China National Precision Machinery Import and Export Corporation	Self-Propelled Surface-to-Air Missile	n/a	n/a	n/a
Shahab Thaqeb (FM-80)	n/a	Self-Propelled Surface-to-Air Missile	n/a	n/a	2002
MIM-23 HAWK	Raytheon	Surface-to-Air Missile	n/a	120	n/a
57 mm ZSU-57-2	Muromskiy mashinostroitelnyy	Self-Propelled Anti-	n/a	80	1967

	zavod	Aircraft Gun (Twin)			
23 mm ZSU-23-4	Ulyanovsk Mechanical Plant	Self-Propelled Anti-	n/a	100	1977
		Aircraft Gun (Quad)			
23 mm ZU-23-2	Former Soviet state factories	Anti-Aircraft Gun	n/a	300	n/a
		(Twin)			
14.5 mm ZPU-2 / ZPU-	Various	Anti-Aircraft Gun	n/a	n/a	n/a
4					
85 mm M1939	Former Soviet state factories	Anti-Aircraft Gun	n/a	300	n/a
57 mm S-60	GPO Aleksinskiy Khimkombinat	Anti-Aircraft Gun	n/a	200	n/a
40 mm L/70	Bofors Defence AB	Anti-Aircraft Gun	n/a	50	n/a
35 mm Skyguard	Rheinmetall	Anti-Aircraft Gun	100	92	1981
		(Twin)			

#### Note:

Unconfirmed. Iran may have taken delivery of several systems for trial purposes and/or to upgrade its FM-80 network.\*

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Chart 6: Equipment (Iranian Navy)

Class	Manufacturer	Role	Original Total	In Service	Commissioned
Kilo (Type 877	Admiralty Yard	Attack	4	3	1992
EKM)					
Yono (IS 1201	n/a	Midget	6	5	2004
Nahang <sup>2</sup>	n/a	Midget (Diesel-Electric	n/a	1	2006
		Power)			
n/a	n/a	Swimmer Delivery Vehicle	8	8	2000
Gahjae	n/a	Semi-Submersible Craft	3	3	2002
Kajami	n/a	Semi-Submersible Craft	3	3	2002

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Chart 7: Equipment (Surface Fleet- Artesh)

Class	Manufacturer	curer Role Original To		In Service	Commissioned
Alvand (Vosper Mk 5)	Vosper Thornycroft / Vickers / Bandar Abbas	Frigate	4	3	1971
Bayandor (PF 103)	Levingstone Shipbuilding Co	Corvette	2	2	1964
Kaman (Combattante II)	CMN / Bandar Anzali	Fast Attack Craft - Missile	14	14	1977 1
MK 13	n/a	Patrol Craft	10	10	2006
Kayvan (Cape)	n/a	Patrol Craft - Large	3	3	n/a <sup>2</sup>
Parvin (PGM-71)	Peterson Builders Inc	Patrol Craft - Large	3	3	1967
US MK III	Marinette Marine Corporation	Patrol Craft - Coastal	70	10	1975
Tir (IPS 18)	n/a	Patrol Craft -	10	10	2002

		Coastal			
US MK II	Peterson	Patrol Craft -	6	6	1977
		Coastal			
Sewart	n/a	Patrol Craft -	9	3	1953
		Inshore			
MIL 40	FB Design	Patrol Craft -	2	2	2002
		Inshore			
MIL 55	FB design	Patrol Craft -	1	1	2003
		Inshore			
Tarlan	n/a	Patrol Craft -	15	15	2005
		Inshore			
Kashdom II	n/a	Patrol Craft -	10	10	n/a
		Inshore			
Various	FB Design	Patrol Craft	n/a	8	n/a
n/a	n/a	Landing Ship Tank	2	2	2006
Hengam	Yarrow (Shipbuilders) Ltd	Landing Ship	4	4	1974
		Logistic			
Karbala (MIG-S-	Martyr Darvishi Marine	Landing Ship	6	6	1998
3700)		Logistic			
Liyan 110	n/a	Landing Craft <sup>3</sup>	1	1	2008
Wellington (Mk 4)	British Hovercraft	Hovercraft	2	2	1970
	Corporation				
Wellington (Mk 5)	British Hovercraft	Hovercraft	4	4	1974
	Corporation				
Iran	n/a	Hovercraft	1	1	2000

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Chart 8: Equipment (Surface Fleet – IRGC)

Class	Manufacturer	Role	Original Total	In Service	Commissioned
Thondor (Houdong)	Zhanjiang Shipyard	Fast Attack Craft -	10	10	1994
		Missile			
Peykaap II (IPS 16	n/a	Patrol Craft - Coastal,	25	25	n/a
Mod)		Missile			
Peykaap I (IPS 16)	n/a	Patrol Craft - Coastal	15	15	2002
Pashe (MIG-G-1900)	n/a	Patrol Craft - Coastal	10	10	n/a
Ghaem (MIG-S-1800)	n/a	Patrol Craft - Coastal	20	20	n/a
Murce (MIG-G-0900)	MiG	Patrol Craft - Inshore	20	20 1	n/a
Ashoora I (MIG-G-	n/a	Patrol Craft - Inshore	20	20 1	n/a
0800)					
Boghammar	n/a	Patrol Craft	51	30	1984
Iran Hormuz 21	Ravenstein	Landing Ship Tank	3	2 2	1985
Iran Hormuz 24	Inchon	Landing Ship Tank	3	3 2	1985

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Chart 9: Equipment (Air Force Fixed Wing)

Туре	Manufacturer	Role	Original Total	In Service	First Delivery
F-14A Tomcat	Grumman	Fighter - Interceptor / Air Defence	79	45 1	n/a
MiG-29 'Fulcrum-A'	MiG	Fighter - Interceptor / Air Defence	n/a	48 2	1990
Mirage F1EQ	Dassault	Fighter - Interceptor / Air Defence	n/a	24 3	1991
Su-24MK 'Fencer-D'	Sukhoi	Fighter - Ground Attack / Strike	30 4	295	1991
Su-25 'Frogfoot'	Sukhoi	Fighter - Ground Attack / Strike	13	13 6	1991
F-5B Simorgh	Northrop/IAMI	Fighter - Ground Attack / Strike	13 7	12	n/a
F-7M Airguard	CAC	Fighter - Multirole	n/a	30	1987
F-4E Phantom II	McDonnell Douglas	Fighter - Multirole	177	50	1971
F-4D Phantom II	McDonnell Douglas	Fighter - Multirole	32	5	1968
F-5E Tiger II	Northrop	Fighter - Multirole	141	31	1974
F-5F Tiger II	Northrop	Fighter - Multirole	28	18	1974
P-3F Orion	Lockheed Martin	Maritime Patrol	6	4 8	1974
RF-4E Phantom II	McDonnell Douglas	Reconnaissance	16	4	1971
An-74TK-200 'Coaler-B'	Antonov	Transport	12	11 9	1996
Y-7	XAC	Transport	n/a	2	1998
747	Boeing	Transport	n/a	7 10	1975
747-2J9F	Boeing	Transport	n/a	4 10	1977
F27-400M Troopship	Fokker	Transport	15	10	1972
F27-600 Friendship	Fokker	Transport	5	n/a 11	1972
Y-12 (II)	HAI	Transport	n/a	9	1996
Il-76MD 'Candid'	Ilyushin	Transport	15 4	$14^{12}$	1991
C-130E Hercules	Lockheed Martin	Transport	28	22	1965
C-130H Hercules	Lockheed Martin	Transport	32	n/a <sup>13</sup>	1971
IR.AN-140 Faraz	IAMI (HESA)	Transport	n/a	3	n/a
707-3J9C	Boeing	Tanker / Transport	14	12	1974
Falcon 20E	Dassault	Utility	n/a	1	1976
Falcon 50	Dassault	Utility	n/a	3 3	1991
L-1329 Jetstar	Lockheed	Utility	n/a	1	1969
PC-6/B Turbo Porter	Pilatus	Utility	15	8	1982
TB-21	Socata	Trainer	8	8	1996
TB-200	Socata	Trainer	4	4	1996
F33 Bonanza	Beech	Trainer	n/a	20	n/a
EMB-312 Tucano	Embraer	Trainer	n/a	15	1989
PC-7 Turbo Trainer	Pilatus	Trainer	n/a	35	1983
Mushshak	PAC	Trainer	25	22 9	1991
Parastu	IAMI	Trainer	n/a	1414	1993
1 arastu	IAWII	Tranner	III a	14	1999

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Chart 10: Equipment (Air Force Rotary Wing)

Type	Manufacturer	Role	Original Total	In Service	First Delivery
AS-61A-4	Agusta-Sikorsky	Utility	n/a	2	n/a
CH-47C Chinook	Boeing	Utility	n/a	2	n/a
206B JetRanger	Agusta-Bell	Utility	n/a	2	n/a
212	Agusta-Bell	Utility	n/a	6	n/a
214	Bell	Utility	n/a	20	n/a
412	Bell	Utility	n/a	2	n/a
Shahed 274	IRGC	Utility	n/a	2	1999

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Chart 11: Equipment (Missiles)

Туре	Manufacturer	Role
AIM-9P Sidewinder	Lockheed Martin	Air-to-Air
AA-8 'Aphid'	Vympel	Air-to-Air
AA-9 'Amos'	Vympel	Air-to-Air
AA-10 'Alamo'	Vympel	Air-to-Air
AA-11 'Archer'	Vympel	Air-to-Air
AIM-7F Sparrow	Raytheon	Air-to-Air
AIM-54 Phoenix	Raytheon	Air-to-Air
MIM-23B HAWK 1	Raytheon	Air-to-Air
R 550 <u>Magic</u>	Matra BAE	Air-to-Air
PL-2 'Atoll'	CATIC	Air-to-Air
PL-5	CATIC	Air-to-Air
<u>PL-7</u>	CATIC	Air-to-Air
PL-9	CPMIEC	Air-to-Air
(Iran) Sattar-1	n/a	Air-to-Surface
(Iran) Sattar-2	n/a	Air-to-Surface
AGM-65 Maverick	Raytheon	Air-to-Surface
AS-10 'Karen'	Zvezda	Air-to-Surface
AS-11 'Kilter'	Raduga	Air-to-Surface
AS-12 'Kegler'	Zvezda	Air-to-Surface
AS-14 'Kedge'	Vympel	Air-to-Surface
AS-16 'Kickback'	Raduga	Air-to-Surface
<u>YJ-6 (CAS-1)</u>	CPMIEC	Anti-Ship Attack
C-801C Sardine	CPMIEC	Anti-Ship Attack
(Iran) Fajr-e-Darya (CPMIEC <u>C-802K</u> )	n/a	Anti-Ship Attack
RIM-66 Standard <sup>1</sup>	Raytheon	Anti-Ship Attack

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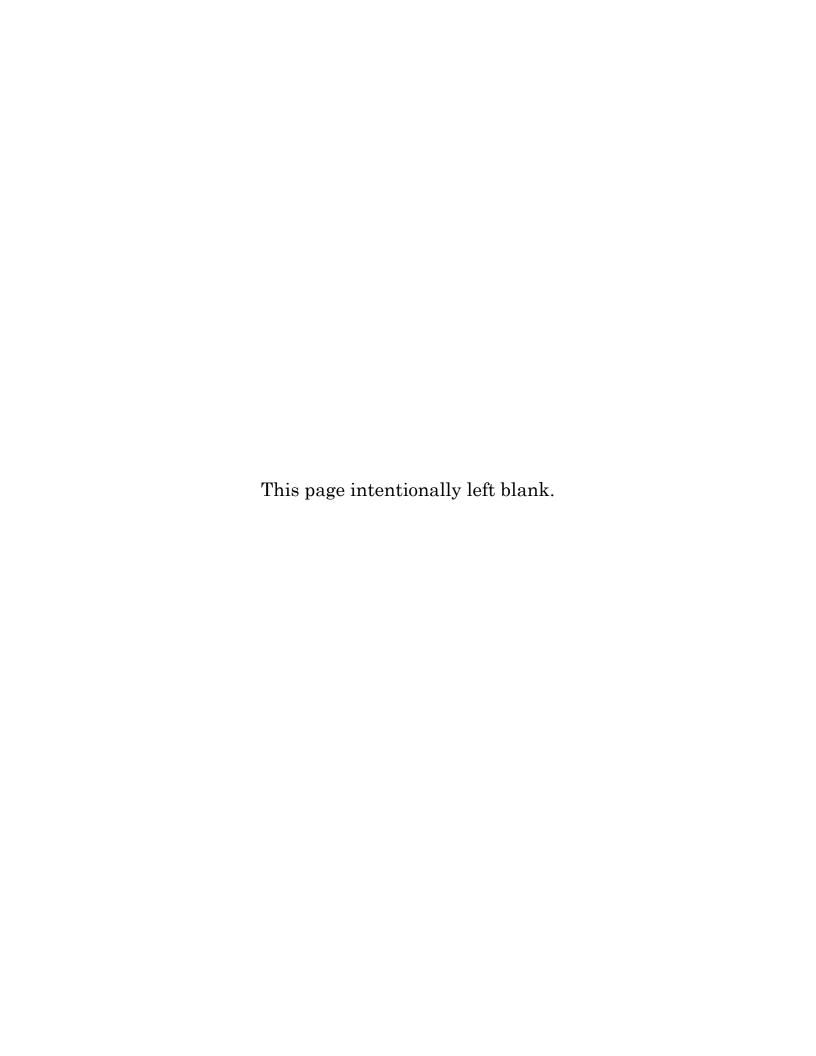
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# TRADOC G-2 TRISA-THREATS OPERATIONAL ENVIRONMENT ASSESSMENT TEAM

# ECONOMIC



# **Economic**

The Economic variable encompasses individual and group behaviors related to producing, distributing, and consuming resources.

"[The UN Security Council] issued several resolutions and sanctioned Iran....They think Iranians will fall on their knees over these things but they are mistaken."

President Ahmadinejad in a speech in southern Iran discussing Security Council sanctions, January 2010

#### **KEY FACTS:**

- Iran has a state-centered economy dominated by powerful collectives which control vast sectors of the economy. These collectives control the economy in a cartel-like situation, making it difficult for the individual businessman to prosper without their patronage except on the small scale.
- Despite the surge in the young adult population and the entrance of women into the workforce, the unemployment rates have not seen a spike due to employment caused by expansionary economic policies.
- Commercial trade, once dominated by trade with the West, continues to be replaced by trade with East Asian countries as Iran becomes a supplier of raw resources, especially petroleum, in return for finished goods.
- Iran's economic vitality continues to be tied to its petroleum export business, especially oil, despite measures to diversify and privatize industries.
- Iran maintains its dedication to social welfare principles, most noticeably through its vast subsidization program for goods and services, which are continuing to put a strain on the economic stability of the state.

#### OPERATIONAL IMPACTS OF THE ECONOMIC VARIABLE IN THE OE:

- Any significant economic downturns would likely exacerbate the domestic unrest caused by the disputed 2009 presidential election.
- The continued subsidization of consumer goods and services will likely prolong the illegal economy which exists in the region. This illegal economy would become even more important if the economy of Iran took a substantial turn for the worse.
- The financial strain caused by sanctions will continue to hamper reinvestment into the petroleum infrastructure, causing the state to continually depend upon skirting the sanctions by trading through intermediaries in their ever growing trade relationship with East Asian countries.
- Any attempts at successful reform will depend upon the population acquiescing to the economic measures, either through acceptance of the new economic realities (which likely means higher consumer prices and a possible economic downturn) or diversion of their attention away from the negative situation by putting blame for the downturn in economic activity upon foreign powers.

• President Ahmadinejad's populist support may weaken if revenues from oil constrict and he is forced to tighten his expansionary populist financial policies.

#### **ECONOMIC OVERVIEW**

Iran's economy has traits of significant vitality and growth, alongside paralyzing legislation and regulation. Its annual GDP growth has consistently ranged in the neighborhood of 4-6%, reaching 7-8% in 2007. However, much of this depends on oil and natural gas revenues which make up the backbone of the Iranian economy and suffer the whims of commodity prices on the international market. The Iranian Government has pushed for greater market liberalization and reform, but has been continually blocked (and will be for the foreseeable future) by large interest groups in Iranian society that prevent any change from decreasing their influence. Additionally, Iran's governmental role in economics is tied to its social welfare policies for the Iranian population, which operate through the charities and numerous subsidies given to the population for commodities ranging from foodstuffs to gasoline.<sup>1</sup>

Iran's economy is a study in contrasts. There is a large population surge reaching the labor market, but unemployment has decreased over the past decade. There are significant obstacles to foreign investment, including sanctions in trade and finance; yet overseas trade, especially with East Asian countries, is growing as they desire the petroleum resources and Iran desires the finished consumer goods. Its manufacturing sector is one of the strongest in the Middle East, yet it suffers from sanctions on parts and technology to update its hardware and techniques.

President Ahmadinejad's financial policies support his populist agenda by creating an expansionary fiscal policy. He continues to support the massive subsidies given to the populace; energy subsidies alone account for approximately 12% of Iran's GDP. This policy has heretofore been supported by the Oil Stabilization Fund (OSF) which receives the proceeds from oil revenue as a hedge against the volatile price fluctuations on the international petroleum market. The high price of oil during the decade has filled the coffers with revenue to pursue these policies and even, according to some, investment into nuclear technology as part of Iran's policy of establishing its place in the world's nuclear regime.<sup>2</sup>

The recent global economic downturn has not revealed its effects upon the Iranian economy, as of yet. Despite its insulation from possible effects of the financial crisis due to the various financial sanctions, Iran will likely feel the effect through a reduction of oil revenue through decreased prices and a general lessening of trade. This will deplete the OSF and cause additional strain on finances. The only benefit from the downturn may be a reduction in inflation rates as economic expansion slows. The elimination of the generous subsidies has been tried previously to lessen the economic burden on the government; however, these measures were met with widespread demonstrations from the population, to the point that the subsidies have to be reinstalled.

#### TIMELINE OF KEY EVENTS

- 1979: Ayatollah Ruhollah Khomeini leads a revolution in Iran establishing an Islamic Republic with a public sector dominated economy. Charitable foundations are established, usually from the confiscated property of the deposed Shah of Iran, his family, and supporters.
- 1979 to present: Various sanctions have been implemented in response to Iran's support for terrorism in the Middle East, and recently, for its nuclear activities. These sanctions usually are targeted toward Iran's ability to support terrorism in the region, or toward acquiring technology or equipment to modernize its petroleum infrastructure or nuclear technology.

- 1980-88: The Iran-Iraq War created negative growth rates in the GDP, declines in oil production, and high levels of inflation. International isolation hindered investment into infrastructure.
- 1990: The South Pars oil and natural gas field is discovered in Iranian waters in the Persian Gulf. The other half (called North Dome) is in Qatar's territorial waters. It is the world's largest natural gas field. Iran begins a multi-phase project to utilize the natural gas for domestic consumption. By 2010, half of the domestic fuel need is supplied by natural gas.
- 1990: Iran remains neutral during the Gulf War.
- **1995 to present**: The population bulge of "baby boomers" born during the 1980s begins to reach young adulthood and enter the labor market. This bulge consists of a ten year birth-rate surge. This bubble is followed by the "baby bust" decade of the 1990s when the birth rates drop significantly.
- 1997-2005: President Khatemi represented a drive toward liberalization and privatization of the economic base of Iran. Reforms were made in the area of trade liberalization, economic diversification to relieve dependence on the oil industry with its sometimes extreme price fluctuations, and privatization of various sectors of the economy.
- 2003 to present: Iran remains ostensibly neutral during Operation Iraqi Freedom. However, Iran pursues its strategic goal of influencing the internal politics of Iraq through (supposedly) clandestine Iranian (probably IRGC) support for Shia militias, and Iranian-backed Iraqi political parties.
- **2005 to present**: President Ahmadinejad won election on a populist platform promising expansionary policies to support the non-urban and/or working class citizens. This entails the continuation of large subsidies on consumer goods and services for the population. Attempts at subsidy reduction to decrease federal spending are met with demonstrations, and are largely rescinded.
- **2005 to present**: East Asian countries replace Western countries as key trading partners for Iranian resources, particularly petroleum. Iran imports finished goods from East Asian countries.
- 2009: The re-election of President Ahmadinejad is met with widespread demonstrations accusing the state of stealing the election from popular reform candidates. The demonstrations are the largest since the Revolution in 1979. It exposes the cleavage between conservatives and reformers in the electorate. The backbone of the reformers is young adults, predominately born after the 1979 Revolution, and clerics who support a reformist agenda.
- 2009 to present: The global economic downturn reduces the value of Iranian petroleum exports as consumer activity drops worldwide. The repercussions of the reduction in oil revenues are projected to reduce the availability of funds used domestically in Iran's economic policies. Available funds for economic projects and domestic subsidies are threatened.

#### CURRENT ECONOMIC STATISTICS

GDP (purchasing power parity):	GDP – per captia (PPP):
\$876 billion (2009 est.)	\$12,900 (2009 est.)
Country comparison to the world: 17	Country comparison to the world: 85
\$853.8 billion (2008 est.)	\$13,000 (2008 est.)
\$801.7 billion (2007 est.)	\$12,300 (2007 est.)
Note: data are in 2009 US dollars	Note: data are in 2009 US dollars
GDP – composition by sector:	Labor force:
Agriculture: 10.9%	25.02 million
Industry: 45.2%	Country comparison to the world: 22

Services: 43.9% (2009 est.)			
Labor force – by occupation:	Population below poverty line:		
Agriculture: 25%	18% (2007 est.)		
Industry: 31%			
Services: 45% (June 2007)			
Unemployment Rate:	Inflation rate (consumer prices):		
11.8% (2009 est.)	16.8% (2009 est.)		
Country comparison to the world: 128	Country comparison to the world: 215		
10.3% (2008 est.)	25.6% (2008 est.)		
Note: data are according to Iranian Government	Note: official Iranian estimate		
Economic Statistics			
CIA World Fact Book, 2009			

#### EMPLOYMENT STATUS

Despite the existence of inefficient business and market regimes and the swelling of young adults entering the labor pool, the employment environment in Iran has actually improved due to the growth of private industries. Even the increase of women into the marketplace has not hampered the continual reduction in the unemployment rate in Iran.

#### LABOR MARKET

Although the rate of population growth slowed during the 1990s, (the "baby bust"), those born during the 1980's baby boom are now reaching adulthood and are starting to put strain on the labor market. The cohort of those entering the labor force has steadily been increasing since 1986, while those leaving the labor market have remained consistent. In addition, there has been a shift in the attitudes of women toward employment. Immediately following the Revolution, the percentage of women working dropped from a high in 1977 (12.9%) to a low in 1986 (8.2%). By the end of the 1990s, that percentage increased to 14.8%. Many women are acquiring more education and beginning careers before marriage.<sup>3</sup>

The swelling of those entering the labor market will begin to subside following 2010. By 2015, it is estimated that the numbers will have receded to the levels of 1992. Additionally, the number of men leaving the labor force due to age (64 years of age) will increase as the decade continues; in 1995, 1.3 million turned 64, but by 2015 there will be close to 2 million men over 64.<sup>4</sup>

#### **EMPLOYMENT**

Despite the concerns regarding unemployment in Iran with the burgeoning young adult population, unemployment rates decreased during the first decade of the 21st century. Employment rose at a rate of 3.6% in the early years of the decade, more rapidly than the rate of increase of the labor market. This abundance of employment came from the private sector and through privatization of industries, in contrast to the years shortly following the revolution when public sector jobs accounted for the majority of employment. Public sector jobs had declined to about one-quarter of total employment by the end of the century.<sup>5</sup>

#### UNEMPLOYMENT

The unemployment rate dropped from approximately 16% in 1999 to 10.2% in 2007. This has been caused by the growth of private sector jobs as explained above. However, this issue has remained important to the Iranian regime. Public sector jobs have not reaped the same efficiency in job growth as the private sector due to the existence of cumbersome regulations and a job market very favorable

to labor, not benefitting innovation and labor movement between industries. Growth in GDP in Iran causes a slower job growth in industries than in other countries with more efficiency in their labor regimes.<sup>6</sup>

#### ECONOMIC ACTIVITY

Business culture has a veneer of liberal, free market forces in Iran; however, it is heavily influenced by one's participation in one of the collective organizations which, in sum, control vast segments of the economy. Non-participation in one of these organizations can present huge obstacles to conducting business. Patronage and favoritism is part of the business culture to ensure their own success. These organizations are generally opposed to reform (usually in the form of liberalization of policies) in the interest of protecting their role in Iranian society.

#### **ECONOMIC ACTORS**

The IRGC, Bonyads, and the Iranian state control large segments of the Iranian economy. Each one operates through its network of patronage and rules which favor its own operation. These concentrations limit the efficacy of market competition by giving one group or another a certain advantage in various areas. These concentrations operate to further their own interests which often collectively prevent economic reform measures intended to reduce regulation or improve the functioning of the market.

### Islamic Revolutionary Guard Corps

The IRGC is quickly emerging as one of the most prominent economic actors in Iran today. They play an increasingly active role on the domestic political scene and have enormous economic assets and interests. President Ahmadinejad was a commander in the Guard during the 1980-88 Iran-Iraq War, and his presidency is likely only to enhance the Guard's influence. The Guard and a network of current and former commanders have moved into Iran's industries of oil and gas, construction, agriculture, mining, transportation, defense, and import/export businesses, and have even gained lucrative franchises such as Mercedes-Benz dealerships.

The Guard formed contracting firms to bid on government projects and used its strong political influence to win business. In one recent example, the IRGC's firm Khatam ol-Anbiya (an engineering firm)—one of Iran's largest industrial contractors—acquired billions of dollars in contracts that included development of the South Pars oil field 15th and 16th expansion phases and the extension of the Tabriz Metro. Analysts believe the IRGC also controls much of the burgeoning business investment in Dubai, where 9,000 Iranian businesses are registered and 400,000 Iranian nationals reside. These Dubai business interests help Iran bypass the international sanctions levied against Iran.<sup>7</sup>

The IRGC is not above blatantly protecting its interests. On 9 May 2004, the day the new Imam Khomeini International Airport opened, the Guard briefly closed down the new international airport in Tehran to supplant the Turkish-led consortium which had won the construction contract over an IRGC firm. The IRGC have now taken over the operations of the airport.<sup>8</sup>

#### **Bonyads**

Bonyads are quasi-governmental trust foundations which operate as private holding companies. The Bonyads are said to account for an estimated 33% to 40% of Iran's non-oil economy. Many of the Bonyads predate the 1979 Revolution, operating as custodians of Shia holy sites in Iran. Since 1979, their influence has grown to their current status with significant economic and political influence. The Bonyads, the heads of which are appointed by Supreme Leader Khamenei, control vast assets

given to them by the state through its confiscation of property during the 1979 Revolution and thereafter.9

The purpose of these foundations is to provide social services to various elements of Iranian society, such as disabled war vets, widows, indigent, etc. Consequently, they posses significant influence among the lower and lower-middle class segments of society. Through this, their membership can exert tremendous political influence. As an ally of the regime, they give it several levers for exerting social control when needed (e.g., mobilizing protests, providing patronage, indoctrinating the polity, and repressing dissent). The Bonyads operate as tax-exempt religious organizations which give them significant price and cost advantages over their non-Bonyads competitors when competing economically. Their slush funds operate as a major source of patronage. 10

Some sources say there might be as many as 123 different Bonyads in Iran, but most experts focus only on the largest and best known of them. Three of the largest illustrate the size and scope of the foundations.

#### THE FOUNDATION FOR THE OPPRESSED AND DISABLED

One of the largest and most important of the Bonyads, it took over much of the assets of the former Shah and his associates who fled Iran after the Islamic revolution. It is estimated to have amassed \$12 billion in assets and to employ more than 400,000 workers in its various enterprises.

The Foundation is active in the following sectors: food and beverages, chemicals, shipping (Bonyad Shipping Co.), metals, petrochemicals, construction materials, dams, towers, farming, horticulture, animal husbandry, tourism, transportation, hotels (including two major hotels in Tehran), commercial services, and financing. It produces the best selling soft drink in Iran, called Zam Zam. The Foundation uses the profits from these ventures to assist 120,000 families of veterans and victims of the 1980-88 Iran-Iraq War, as well as large segments of the poor.<sup>11</sup>

#### THE SHRINE OF IMAM REZA FOUNDATION

Based in Mashad in northeastern Iran, it used donations from eight million pilgrims to the Shrine of Imam Reza to buy up 90% of the arable land in its area. The estimated value of this land could be as high as \$20 billion. It is the largest employer in Khorasan Province (Mashad is its capital). The Foundation runs 56 companies, including a Coca-Cola factory and two universities, and it is said to have diversified also into automobile manufacturing. It is headed by Ayatollah Abbas Vaez-Tabazi, who is on the powerful Assembly of Experts. His son is married to a daughter of Supreme Leader Khamenei. 12

#### 15<sup>TH</sup> OF KHORDAD FOUNDATION

In 1989, it offered \$2 million to anyone who killed Salman Rushdie, author of *The Satanic Verses* that Ayatollah Khomeini called blasphemous. The Foundation is named for the date in 1963 when Khomeini began revolutionary activities against the Shah.<sup>13</sup>

#### The Cooperatives

The so-called "cooperatives" are another sector of the economy that has come under the control of key elites. There is a Ministry of Cooperatives that, in theory, oversees the operations of cooperatives. However, in practice, the larger cooperatives are run by allies or relatives of regime elites and therefore the Ministry's oversight powers are limited.

The most well-known cooperative, which exemplifies the privileged status of these organizations, is the Rafsanjan Pistachio Growers Cooperative. It is run by the cousin of former president Akbar Hashemi-Rafsanjani. The cooperative claims to represent over 70,000 pistachio farmers. The pistachio export industry in Iran is valued at an estimated \$746 million. Rafsanjani's older brother, Ahmad, headed the Sarcheshmeh copper mine complex, although he is now retired. The control over these sectors has given Rafsanjani substantial opportunities for patronage, although obviously his wealth did not prevent his loss in the 2005 presidential election. Some believe it was partly his wealth that caused his defeat because he is viewed as corrupt and less in tune with the interests of the lower classes than is Ahmadinejad. 14

#### The Iranian Bazaari class

Historically, Iranian merchants (or Bazaari) have held significant influence in Iran's economic life. They helped finance the 1979 Revolution, and can make or break a government. Some reports indicate that the Bazaari are not happy with the current government. They want stability and certainty.

However, the Bazaari do not necessarily want a completely open trading regimen that might impinge on their privileged trading status. The Bazaari are also skeptical of increased foreign investment, because Western factories and companies might operate more efficiently than Iranian companies and compete effectively with the Bazaari. Some Iranians complain that the Bazaari try to control certain markets by acting in concert, such as jointly boycotting supplier companies to force them to make concessions.<sup>15</sup>

#### TRADE

International trade contributes significantly to the Iranian economy. Oil and gas constitute a major portion of the trade (oil and gas accounts for approximately 80% of total exports), while other import/export commodities include agricultural goods (fresh and dried fruits), petrochemicals, consumer goods, industrial raw materials, and military items. Generally, Iran is fostering its relationship with East Asian countries as an exporter of resources, while importing finished goods. UAE serves as a principal trade route for re-exportation of goods to Iran, thereby avoiding international sanctions on certain items. <sup>16</sup>

#### Commercial Trade

Between 2004 and 2007, Iran's total trade in goods (exports and imports) nearly doubled, to reach \$147 billion. Iran benefits from a positive trading balance. In 2007, Iran exported \$91 billion worth of goods while they only imported \$55 billion in finished products. Oil and natural gas dominate Iran's export revenue and provides the most important foreign exchange earnings for the country. 17

Oil earnings comprise over 80% of export revenue. Since 2000, high oil prices generated record trade surpluses for Iran, even though import spending also rose quickly. Iran no longer trades with its traditional partners in Europe, but now trades primarily with East Asian countries (especially China and Japan) hungry for petroleum resources, and who possess finished consumer goods available for the Iranian market. Dubai serves as a vital link to the rest of the world's trading market. The UAE thrives as a re-export center. Dubai repackages many products and then re-exports them to Iran to skirt the international sanctions in place that forbid trade with Iran. The US continues to pressure the UAE to make its export/import controls more stringent, but UAE refuses to comply with the requests. 18

Many European banks have reduced their share of trade financing with Iranian companies. Germany, a traditional resource, has drastically reduced its amount through increased scrutiny with Iranian companies; its financing in 2007 was approximately one-fifth of the amount in 2004. In reaction to this, Iranian firms have turned to lesser-known banking partners less susceptible to international pressure, although the result is an increased cost of doing business. In particular, Iran has turned to countries in the Gulf Community Council (GCC) as a source of revenue.<sup>19</sup>

#### Military Exports/Imports

In 2005, Iran exported around \$100 million worth of military hardware. Its defense industrial base has grown significantly and currently manufactures a range of systems and platforms. Many countries across the globe have imported Iranian military goods and services. Services include training, technical support, and construction projects. Defense cooperation agreements, which included sales of defense equipment, construction of manufacturing or repair facilities, and training of military units have been signed with Tajikistan, Azerbaijan, and Algeria.

Iran is also increasing it military spending. This increase has led to an upswing in Iran's arms imports. These expenditures are carefully focused on purchases to increase Iran's military capabilities in several important areas. They have not, however, been large enough to offset the steady aging of most of Iran's military inventory. Iran's inability to obtain parts and upgrades for much of its Western-supplied equipment is preventing achieving anything close to parity with the level of weapons and technology in US, British, and many other Gulf forces. Iran has tried to compensate this by creating its own military industries, but such efforts have as yet had only limited impact.<sup>20</sup>

#### **ECONOMIC DIVERSITY**

Iran's economy is diverse across multiple sectors: manufacturing, agriculture, and extractive industries. However, since the Revolution in 1979, Iran has become dependent upon its extractive industries: oil and natural gas. Oil has become the chief revenue producer, internationally, for the economy, while domestic needs are provided by natural gas exploitation. Iran is attempting to increase its domestic reliance upon natural gas, while increasing foreign revenues through oil production and delivery, particularly to East Asian countries. The government has created programs in its recent five-year plans to re-establish the other sectors of its economy, agriculture and manufacturing, but has had only limited success in maturing those industries.

#### THE ENERGY SECTOR

Iran's energy sector is undoubtedly the most closely watched portion of the Iranian economy. Its revenues and resources in oil and natural gas are central to domestic economy and stability, and constitute one of the principal leveraging factors Iran possess in the international realm.

Since the 1979 Revolution, Iran's energy sector has been deteriorating primarily because of increasingly antiquated practices and equipment due to sanctions which limit investment in infrastructure and technology. The Ministry of Petroleum, through its system of nationally-owned subsidiaries, is responsible for oil and natural gas production and exploration. Iran is estimated to hold 10% of the world's oil reserves, and 15% of the world's natural gas reserves. Surplus oil export revenues are funneled into the OSF which serves as a buffer against the vagaries of oil prices, and serves as the primary repository for funds for the government of Iran and its domestic needs.

#### Oil

The vast majority of Iran's crude oil reserves are located in giant onshore fields in the southwestern Khuzestan region near the Iraqi border. Iran has 40 producing fields—27 onshore and 13 offshore. In 2007, Iran exported about 2.4 million barrels per day (bbl/d) primarily to Asian markets, making it the fourth largest exporter in the world. The remaining 1.7 million bbl/d (of a total daily production of 4.1 million bbl/d in 2007) went to domestic use. Iran is OPEC's second largest producer after Saudi Arabia, equaling about 4.5% of global production. The main export markets for Iranian crude are East Asian countries with European countries following. 21

Starting in 2007, Iran began utilizing euros vice dollars in its oil transactions. Iran claimed it was because of the declining value of the dollar and strength of the euro. It is likely, though, that this decision was also politically driven as a means to disassociate itself from the appearance of relying on the US dollar. The rest of the oil industry continues to use the US dollar as its principal means of transactions.

However, Iran's oil and gas sector suffers from under-investment as a result of sanctions, which have been in force for more than two decades. Oil production levels have never recovered to pre-Revolution levels (6 million bbl/d in 1974); Iran produces 30% oil less than in 1979. The government hopes to raise the total to 5.6 million bbl/d by 2010 and 7 million bbl/d by 2020. State-owned National Iranian Oil Company (NIOC) onshore field development work is concentrated mainly on sustaining output levels from large, aging fields. Roughly 60% of Iran's oil production comes from fields more than half a century old, with some dating back to the first oil discoveries in the Middle East.<sup>22</sup>

Approximately half of Iran's domestic energy needs are supplied by oil (the other half natural gas) with the majority of it refined for gasoline and diesel. However, due to the limited refinery capability, Iran still has to import much of its gasoline supply. As Iran moves forward with the government's intention of shifting to a greater domestic utilization share on natural gas, the country hopes to become self-sufficient in gasoline and even possibly a gasoline exporter. Currently, however, the Iranian Government has to contend with substantial subsidies in the gasoline industry which does not deter usage domestically. Attempts at rationing gasoline consumption in 2007 met with widespread demonstrations, and the experiment at reducing the consumption level is generally considered a failure. Iran has nine refineries operated by the National Iranian Oil Refining and Distribution Company (NIORDC), a subsidiary of NIOC, reaching a capacity of approximately 1.5 million bbl/d.<sup>23</sup>

#### TANKER FLEET

Iran operates the largest oil tanker fleet in the Middle East, comprising roughly 29 ships, which include Very Large Crude Carriers (VLCCs). The fleet is run by the National Iranian Tanker Company. In 2003, Iran commissioned six vessels for Caspian routes, to promote Iran's position as a transit option for regional crude, along with 12 natural gas tankers.<sup>24</sup>

#### **Natural Gas**

Iran possesses massive natural gas resources along the coastline in the center of the Persian Gulf. The exception to this is the massive South Pars gas field shared with Qatar which lies in the center of the Persian Gulf between Qatar and Iran. South Pars is Iran's largest natural gas field, discovered in 1990, and is estimated to possess 47% of Iran's total natural gas reserves. The field is proceeding through a multi-stage development plan to supply Iran's domestic needs and oil production facilities. In addition to Iran's developed natural gas fields, another two-thirds of the total natural gas resources in Iran lay in fields not yet developed. Iran is the world's number two possessor of natural gas resources, second only to Russia. 25

Production and consumption of natural gas has grown rapidly over the past 20 years. Currently, natural gas accounts for nearly half of Iran's total energy consumption, and the government is planning to invest billions in coming years to increase this share. The price of natural gas to residential and industrial consumers is state-controlled and subsidized at extremely low prices, encouraging rapid and widespread consumption. Despite such large reserves and due to the artificially low domestic prices encouraging consumption and waste, Iran's natural gas exports are minimal. Increasing the amount exported for revenue is an important agenda item for the Iranian government.

Iran likely will face stiff competition for natural gas customers, particularly given the fact that many other gas suppliers (Oman, Qatar, and the UAE) are already players, having locked up much of the Far East market. Sanctions also mean that Iran is limited to non-US liquefaction technology, which is significant as most liquid natural gas (LNG) plants use processes developed by US companies. As of 2010, Iran has no LNG facilities. Because of these sanctions and reticence by Western companies, Iran is courting China, Russia, and India to invest in the development of Iranian natural gas.<sup>26</sup>

#### AGRICULTURE

Agriculture constitutes a significant portion of Iran's GDP. Iran is a major exporter of caviar and pistachio nuts. Iran's climate and terrain also support tobacco, tea, wheat, and barley, among other food commodities.

Despite Iran's emphasis on agriculture as an important area for development in the governmental five-year plans, Iran continues to struggle to become self sufficient in subsistence crops due to resource underfunding, climatic issues, and rural population migration to urban areas. From 1998 to 2001, a severe drought heavily reduced agricultural production. Consequently, Iran became a major importer of wheat supplied primarily by Canada, Australia, Argentina, and France. 2004 was the first year Iran did not import wheat. In addition to climatic issues, the agricultural sector has not fully rebounded from the 1979 Revolution and the Iran-Iraq War. Overfishing and environmental degradation also threaten the agriculture sector.<sup>27</sup>

Traditionally, agricultural imports were paid for by oil revenue. However, despite recent high international oil prices, the increase in international food prices combined with surging population growth has place pressure on Iran's economy. Iran maintains artificially low consumer food prices due to substantial subsidies given to the agriculture industry. Conversion to some sort of market-driven agricultural economy would result in a high probability of domestic unrest due to the increased food prices paid by the Iranian citizen.<sup>28</sup>

Additionally, there has been a growth in agriculture-related manufacturing, such as rice milling and manufacturing of canned food and concentrates, fruit juices, and confectionary. Foreign companies, such as Nestle, Coca Cola, and Pepsi have signed deals for production with local Iranian businesses. Under US sanctions regulations, foreign subsidiaries of American companies are able to trade or engage in business in Iran.

#### MANUFACTURING

Manufacturing in Iran is an area with tremendous promise, but carries remarkable handicaps. The steel, automotive, and petrochemical industries in Iran are some of the most developed in the Middle East. Yet, growth in any of the areas is hindered by government regulation, substantial subsidies, and a lack of international investment due to regulatory confusion and an uninviting investment regime. Despite attempts by the central government to spur the growth of these sectors with various reforms, the industries show no sign of renewal, but remain dependent upon oil exports as a money source for continued operation.

#### Steel

Iran produces the most steel in the Middle East. In 2006, Iran ranked globally as the 20th largest producer, with an output exceeding nine million metric tons. However, Iran still imports steel to meet domestic demand. In 2005, based on the most recently available data from the International Iron and Steel Institute, Iran ranked as the 14th largest steel importer with net import exceeding six million metric tons. Due to the increased need for project infrastructure and construction expansion throughout the Middle East, steel requirements continue to increase. Consequently, Iran aims to double its steel production by 2010.<sup>29</sup>

#### Automotives

Iran produces both light and heavy vehicles and produces the most vehicles in the Middle East. The two biggest automakers, Iran Khodro and Sapia, are hindered by outdated technology which depends on parts supplied through third-world countries. Often, cars are fuel inefficient and contribute to the pollution problems in the country. However, Iran's domestic demand outpaces supply of automobiles. Consequently, Iran has to import a variety of cars ranging from basic models to luxury models. Iran has begun to cooperate with foreign automakers, including Peugot, Volkswagen, Nissan, Toyota, and Kia. Nevertheless, foreign companies have entered the market wearily due to the existence of sanctions and how it reflects upon the business environment.<sup>30</sup>

#### Petrochemicals

After Saudi Arabia, Iran manufactures more petrochemicals than any other country in the Middle East. Iran uses about half of its petrochemical production for domestic use. In an attempt to diversify its exports, Iran is funding development of the petrochemical industry. Reportedly, state intervention and price fixing hampers the project. Based on the Iranian rial and euro, Iran is attempting to use stock exchanges to deal in natural gas and petrochemical products as a boost for the industries. Despite the government's effort, commercial banks demonstrated little willingness to finance the petrochemical sector because of the international sanctions.<sup>31</sup>

#### ILLEGAL ECONOMIC ACTIVITY

Both legal and illegal organizations conduct illegal activities across the entire Iranian economic spectrum. Many groups participate in illegal activities, such as smuggling, black market, piracy, and other levels of illegal activity, to finance other activities. While the government frowns on this corruption and works to prevent it, it is hampered by its prevalence in Iranian society. As long as it does not threaten the government's legitimacy, this type of illegal activity will continue.

A vast smuggling network of subsidized products exists throughout Iran. Gasoline is one of the top commodities. Some experts estimate that smugglers move approximately 3.5 to 4.5 million liters of gasoline and some two million liters of diesel fuel daily to countries with high gasoline prices—mainly Afghanistan, Pakistan, Turkey and even Iraqi Kurdistan.<sup>32</sup>

The IRGC uses its prominent position to facilitate much of this illegal activity. One of the reasons for the IRGC intervention on the opening day of the Imam Khomeini International Airport on its first day of operation in 2004 was to control the important entry/exit point to facilitate its smuggling operation. The IRGC smuggles arms in violation of UN sanctions against state sponsors of terrorist activity. The purpose of the sanctions is to hamper the efforts of Iran sending arms and advisors abroad.

#### BANKING AND FINANCE

Iran's financial sector remains dominated by large, state-owned banks with extensive regulations, overlapping bureaucracies, and policies that inhibit the efficient trade of capital. The appearance of a modern banking system with the establishment of private banks and increased accessibility of banking functions to the populace is misleading. The government's policy of preferential treatment given to semi-governmental foundations and its limitation on the freely functioning of financial markets will continue to hamper the efficacy of the financial system to contribute to growth in the Iranian economy.

Consequently, the populace deals with annually high interest rates only made bearable by the considerable subsidies on products that keep prices artificially low. The governmental restrictions (borne out of distrust of foreign intervention in the system) continue to hamper any large-scale

investment by foreign firms. The current Ahmadinejad administration will continue a monetary policy well-liked by his populist political base that will hamper any significant reform to the financial system.

#### BANKING SYSTEM

The state-owned banks (which hold 90% of deposits) comprise six commercial banks, four specialized banks, and one postal bank. Since 2001, six private banks have been licensed. All banks operate under Islamic law principles.

Iran's Central Bank, the Bank Markazi, calls itself an independent institution. However, the Iranian government directly manipulates the lending and investment activities of the commercial banks. The Bank Markazi cannot operate its own policy and has no influence over the government's direction. In addition, the Central Bank possesses limited options to combat inflationary pressures. The Central Bank must obtain approval from the Iranian parliament in order to issue participation papers.<sup>33</sup>

State-owned banks function poorly as financial intermediaries. Extensive regulations and the government's populist policies, to include subsidized credit for specific regions, hamper the private banks. In May 2007, President Ahmadinejad capped lending rates at 12% for state-owned banks and 13% for commercial banks, despite strong opposition from the Bank Markazi. By placing the interest rates below the inflation rate, many banks were put under financial duress. Additionally, state-owned enterprises and quasi-government agencies, such as the Bonyads, can obtain low interest loans which further undermine viability of commercial banks. Some believe that the financial system stifled domestic business and lowered Iran's attractiveness to foreign businesses.<sup>34</sup>

#### TEHRAN STOCK EXCHANGE

The Tehran Stock Exchange (TSE) began operations in 1967 with six companies. Today, there are over 300. The TSE can only conduct capitalization for the automotive, mining, petrochemical, and financial sector. In 2005, the TSE began to allow foreign investment; however, these investors can only hold a maximum of 10% of the shares for any company, and cannot withdraw their capital until three years after purchase.<sup>35</sup>

The Tehran Stock Exchange has been volatile in recent years. The TSE index performed robustly and tripled between 2000 and 2004, but declined after President Ahmadinejad was elected in 2005. In 2007, the TSE stabilized 20% lower than before Ahmadinejad was elected. By the end of 2007, TSE market capitalization stood at \$46 billion. Ahmadinejad's government hopes that privatization plans will help revive the TSE. Potential foreign investors face concerns about liquidity, transparency, and the poor legal environment, not to mention the existence of international sanctions levied against Iran.<sup>36</sup>

#### INFORMAL FINANCE SECTOR

An alternative to the banking system for lending purposes is the *hawala* system. This is an informal trust-based money transfer system in the Middle East and other Muslim countries. These transactions work on an honor system without paper transactions or promissory notes. Due to this, many analysts believe the system is particularly susceptible for use by terrorists due to its lack of transparency of transactions.

Reportedly since the imposition of recent US and UN financial sanctions, Iran increased its use of hawala. Many Iranians consider hawala to be a more efficient means to transfer money, avoiding the added expenses of the formal financial system. Some analysts argue that its utilization demonstrates the effectiveness of international sanctions, while others point out that it provides a means to circumvent such sanctions, therefore rendering the sanctions useless.<sup>37</sup>

## INFLATION RATE

Iran has struggled with consistent high inflation for a number of reasons: government price controls, inefficient and cumbersome government regulations, pervasive consumer subsidies, expansionary government development programs, and favored financial policies toward many Iranian organizations, e.g. Bonyads. International sanctions contribute to the imbalance of economic policy, assisting in the high inflation.

Inflation has routinely risen well into the double-digit range in recent years; it reached 16.8% in 2009, down from 25.6% in 2008. Price controls exist for many consumer products including gasoline, electricity, wheat, and a myriad of other articles and services. The pervasive subsidy policy is an aspect of the social nature of the 1979 Revolution and its ambition to provide social services for Iranians. Although inflation is prevalent in the Middle Eastern countries (ranging around 10%), Iran possess the second highest rate behind Iraq.<sup>38</sup>

Despite the subsidies, inflation hits the average citizen in Iran the most. Food commodities and services continue to rise making the cost of living ever higher. This hit the rural inhabitants hard. One of the reasons they served as staunch supporters for Mahmoud Ahmadinejad in his past presidential elections; his populist message was quite attractive.

President Ahmadinejad attempted to address the high inflation rates by capping loan interest rates at 12% for private and state-owned banks, which raised the ire of the financial sector. As well, reduction of subsidies has been attempted in recent years on various commodities, but the reductions were met with large demonstrations by Iranians, so much so that the reductions had to be rescinded.<sup>39</sup>

#### **TAXATION**

Iran has a high income tax rate and a moderate corporate tax rate. The top income tax rate reaches 35%, while the top corporate tax rate reaches 25%. Iranian tax laws are complex and officials apply them inconsistently. Although the government aims to simplify tax administration as a part of its economic modernization programs, there has been little achieved to date. In the third five-year plan (2000-2004), the government enacted some structural tax reforms (however modest) to encourage Iran's integration into the global market and to attract investment. However, the government still issues many tax privileges to special interest groups such as the Bonyads. The Iranian government attempted to implement a Value Added Tax (VAT) in 2008, but suspended it several days after widespread demonstration. The national sales tax currently stands at 3%.

#### FOREIGN INVESTMENT

Iran remains a potentially lucrative market for foreign investment. Foreign direct investment (FDI), in Iran, however, continues its historical trend and remains low. In 2005, experts expected FDI and portfolio equity in Iran to reach \$1.2 billion, up from \$776 million in 2004 and \$1.1 billion in 2003. In contrast, Turkey, a country of comparable size, anticipates FDI of \$11 billion in 2006.<sup>41</sup>

Foreign investment is only allowed in certain economic sectors such as banking, telecommunications, transport, and border control. Investors are allowed to reach 65% of a state-owned enterprise. Defense and security-related enterprises are excluded, including the National Iranian Oil Company. The Iranian Parliament has the power to prevent foreign investors from participation in any development plan in which they are the chief participants.

The Iranian strategy to improve foreign investment since the early 1990s has been to establish free trade zones (FTZ) on Qeshm and Kish islands in the Persian Gulf and in the port of Chabahar in southern Iran near the Pakistani border. Although these regions offered freedom from many of the

regulations of central Iran and the possibility of 100% foreign ownership of companies, these regions did not prove as successful as desired. They were hoped to be experiments of reforms that might be applied to the rest of Iran, but were still hindered by how they were implemented in the FTZ.<sup>42</sup>

Iran has recently started to allow foreign investors, although hesitantly. There is resistance among members of the parliament and other factions of the government, due to lingering memories of foreign control before the 1979 Revolution. The uncertain political environment and numerous sanctions thwart accelerated expansion. Other countries in the Persian Gulf remain magnets for investment due to their established nature and the uncertainty of the Iranian financial regime.<sup>43</sup>

#### INTERNATIONAL RESERVES

Iran's international reserves, which include OSF assets, have continued to increase in recent years. International reserve levels often depend on international oil prices. Iran's international reserves grew from \$60.5 billion in FY2006 (10.2 months of imports) to \$81.7 billion in FY2007 (11.5 months of imports). In retribution for American efforts to limit Iran's access to the foreign investment system, Iran rejects payments in US dollars and is moving to other currencies, such as the euro and yen.<sup>44</sup>

#### WORLD BANK

The World Bank currently has two active portfolios in Iran, focused on land management and water sanitation efforts. The World Bank's activity in Iran restarted in 2000, following a seven-year halt. Lending reached its peak in FY07 with disbursements reaching \$200 million, but has been on a downward trend since then falling to \$120 million in FY09. Only the International Bank for Reconstruction and Development (IBRD), one of the sub-echelon organizations of the World Bank, can lend to Iran based on the Bank's market rate. Iran possesses too much per capita wealth to be eligible for funding from other World Bank institutions which lend money on a more concessional basis. Since 1996, the United States has not contributed any funds to the IBRD.

# BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE

Major donor countries to Iran in terms of bilateral official development assistance (ODA) include Germany, France, the Netherlands, Norway, and Japan. In general, the United States does not provide aid to Iran, but will provide humanitarian assistance in extreme circumstances; for example, USAID contributed disaster assistance following the earthquake that struck near Bam, Iran on 26 December 2003.<sup>46</sup>

#### FINANCIAL SANCTIONS

As a means to impede Iran's nuclear development, the US Treasury has invoked sanctions against Iran to hamper its international and commercial system in order to promote policy changes. In addition, the US hopes this will deter Iran from pursuing terrorist financing in the Middle East.

Under Executive Order 13224, the US Treasury Department has targeted several Iranian financial institutions for supporting terrorism. On 9 January 2007, Bank Sepah, a major Iranian enterprise, was put under sanctions for clandestine support to the Iranian missile program. On 25 October 2007, Bank Saderat was placed under sanctions by the Treasury Department for supporting terrorism internationally. On the same day, the Treasury Department also sanctioned Bank Melli and Bank Mellat for their support of the spread of WMD. In a signal to Middle Eastern Banks, in March 2008, the US sanctioned Bahraini Future Bank B.S.C. for its role in support of Iran's nuclear program. The US contends that Bahraini Future Bank operated as a cover for Bank Melli.

US and European banks continue to report that Iranian banks aim to circumvent the sanctions by operating through other Middle Eastern banking institutions through which revenue can be funneled clandestinely. As a result of this scrutiny by Western governments, Iran is moving away from Western institutions and moving to East Asian banks to provide financial services.<sup>47</sup>

# Summary

Iran represents a collection of contrasting economic indicators. Negatively, industry is controlled by large cartel-like organizations which protect their interests and inhibit the liberalization of the markets. Legal regulation of industry is cumbersome, preventing entrepreneurship. Economic sanctions limit investment into oil and natural gas industries, and penalize financial investment. There is a large bulge of young adults who are entering the labor market. Inflation is a constant stress, running into the high teens due to expansionary economic policies.

However, positively, Iran has extensive fuel reserves it can exploit for many years to come. It has a large, well-educated labor market. Its economy has experienced significant annual GDP growth rates. The sanctions, which are an annoyance, can largely be circumvented by re-export trade through other Gulf States. Trade relations with perpetually growing East Asian countries are expanding, creating a positive trade balance. The state directs resources at diversifying its economic base which has a history of being strong, and shows the potential to become strong again.

The economy does not show any distinct signs of decrease or increase, and opens the way for debate as to the effectiveness of sanctions and the value of engagement in the foreign policy realm. Ultimately, despite the contradictions, Iran is situated to remain a significant economic world player for many years to come.

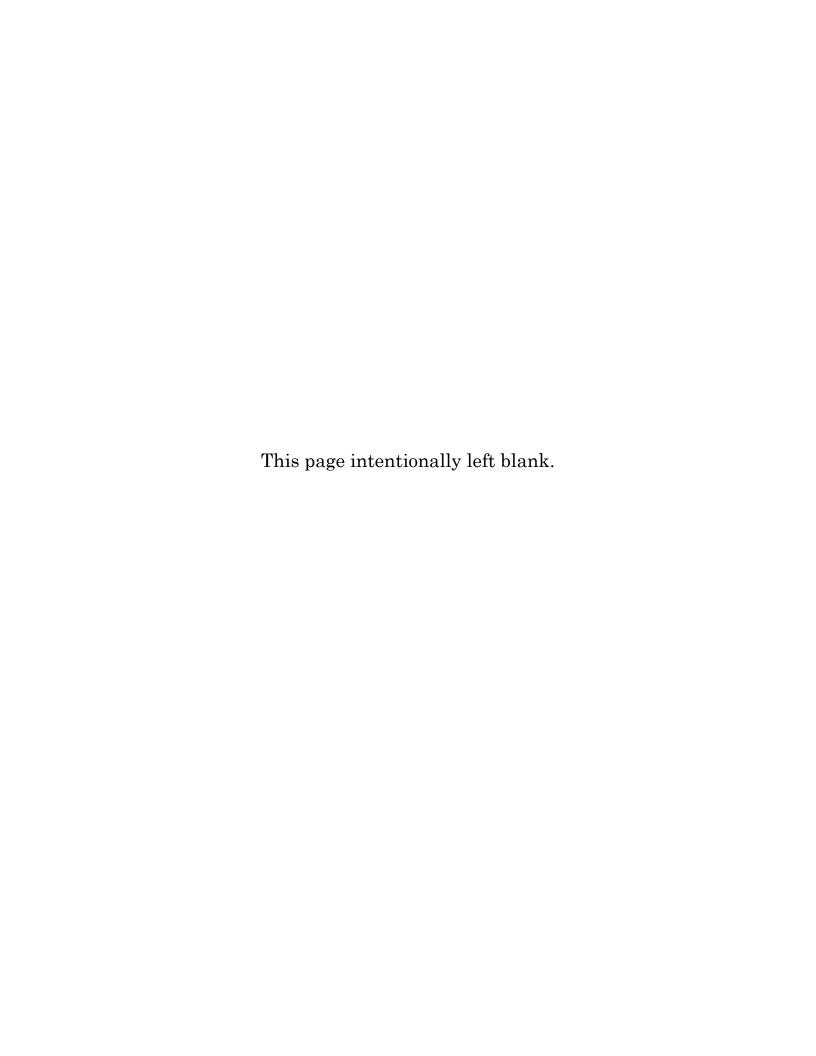
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## SOCIAL



## Social

The social variable describes the cultural, religious, and ethnic makeup within an OE and the beliefs, values, customs, and behaviors.

"After Iraq and Afghanistan, Iran is one of the most important US policy concerns. The country appears to be on its way to becoming a nuclear power in the world's most volatile and violent region. Iran has been heavily involved in the Iraqi conflict, backing Shia political parties and training militias, and is the source of key components of the most lethal roadside bombs. Iran's current president has made highly inflammatory statements concerning the United States, Israel, and Western Europe. The country does not confine its provocations to rhetoric, providing weapons and financial support to Hezbollah, a group responsible for repeated attacks on Israel."

Rand, Iran's Political Demographic and Economic Vulnerabilities, 9 July 2008

#### **KEY FACTS:**

- Iran remains a major destabilizing factor in the Middle East and a major sponsor of international terrorism. Iran remains hostile to the US and its policies in the Middle East.<sup>1</sup>
- Iran's population is about 98% Muslim.<sup>2</sup>
- The two dominant ethnic groups in the country include the Persians with 51% and Azeris with 21-25% of the population.<sup>3</sup>
- Inflation and unemployment remain very high at 25.6% and 11.8% respectively.4
- Roughly 18% of the population lives below the poverty line.<sup>5</sup>
- Literacy remains high at 77% while career opportunities continue to decline; this creates a brain drain as Iranians seek opportunities abroad.
- Iran recently experienced an explosion in the sex trade/human trafficking market as
  economic conditions forced more women and children without other options into such
  work.<sup>6</sup>
- In 2000, the Iranian government reported that two million drug addicts resided in Tehran who consumed up to five tons of narcotics daily. Young Iranians partake in widespread drug use and prostitution and such issues continue in 2009.<sup>7</sup>
- Nearly 1 million Afghan refugees live in Iran.<sup>8</sup>

#### OPERATIONAL IMPACTS OF THE SOCIAL VARIABLE IN THE OE:

- Iran's leaders will continue to focus their efforts to maintain their power and strengthen the military and Islamic Revolutionary Guard Corps (IRGC) while they ignore social and economic issues.
- Religious freedom will remain elusive. The government will persist in the discrimination and persecution against non-Shia minorities such as Sunni Arabs.
- High inflation and unemployment will force more young people to delay marriage until their economic status improves; this will further reduce the birth rate.
- The poor will support the government only if the improved living standards promised by President Mahmoud Ahmadinejad materialize; such improvements have yet to occur.

- Iran still does not recognize equal rights for women. Single women with children continue to suffer the most under such conditions.
- Iran serves as a major transit point for narco-trafficking from Afghanistan. Trafficking rates for opium, heroin, morphine, and hashish will steadily increase until Iran gains control over this criminal industry.

#### SOCIAL OVERVIEW:

Iran enjoys an ancient heritage and rich culture. Iran possesses a well documented reputation as the center of knowledge, art, poetry, and mathematics in the Middle East that dates back thousands of years to the height of the Persian Empire. Most Iranians feel proud of their nation and consider themselves Iranians and/or Persians, dependent on their ethnic group.

Over the last few years, radical Iranian powerbrokers with extremist world views provided sanctuary to international terrorists that included al-Qaeda leadership and even Osama Bin Laden's key family members. Iran also sponsored the proxy wars of Hezbollah Lebanon (LH) versus Israel and trained and/or supplied Iraqi Shia insurgent groups such as Iraq's Hezbollah Brigades.



Iranian Flag, Kwintessential.com, 2009

Iran continues to threaten Israel, the US, and their allies with its ever growing nuclear weapons program.<sup>9</sup>

Since President Mahmoud Ahmadinejad took power in 2005, Iran's policies toward the US and its allies turned increasingly vitriolic. Ahmadinejad and his clerical supporters now seem focused on the maintenance of their governmental power by a confrontation of Western and Arab powers through nuclear weapons research, military expansion, and insurgent support in Iraq, Lebanon, and Afghanistan. Ahmadinejad's continual references to the 12th Imam's imminent return and the establishment of an Islamic Caliphate serves as a means to stir the Shia faithful into action. The rhetoric also diverts any increased social discontent to a common foreign enemy—the US and its infidel allies, such as Israel, Egypt, and Saudi Arabia. 10

Social discontent and civil unrest continue to rise in Iran. Tens of thousands of people protested in the last election (August 2009) in which Ahmadinejad received the most votes in what some perceived as a rigged election. The perception by many Iranian citizens of deeply ingrained government corruption, skewed wealth distribution, high inflation, and high unemployment rates continue to drive this discontent and unrest. Protests, to include student organized protests, persist even to date in Tehran.<sup>11</sup>

Regardless of these problems, the Iranian populace still enjoys a higher living standard than many regional neighbors. Iran is not a poor nation. The Iranian poor generally earn more than US\$2 PER day, the United Nations (UN) poverty standard. The government, however, states that 18% of its citizens live below the poverty line. 12

Most citizens enjoy clean water and electricity, most attend primary and secondary schools, and most urban citizens enjoy access to phone services. Literacy rates remain very high in Iran (77%) and over 80% complete high school. Each year, over 1 million high school graduates apply for entrance into Iranian universities. Literacy rates remain very high in Iran (77%) and over 80% complete high school. Each year, over 1 million high school graduates apply for entrance into Iranian universities.

## DEMOGRAPHIC STATISTICS (CIA, 2009) 15

Population: 66,429,284 country comparisons to world: 19

Age structure: 0-14 years: 21.7% (male 7,394,841/female 7,022,076)

15-64 years: 72.9% (male 24,501,544/female 23,914,172) 65 years and over: 5.4% (male 1,725,828/female 1,870,823)

Median age: Total: 27 years

Male: 26.8 years Female: 27.2 years

Pop. growth rate: 0.883%; country comparison to the world: 135

Birth rate: 17.17 births/1,000 population; country comparison to world: 119
Death rate: 5.72 deaths/1,000 population; country comparison to world: 171
Net migration rate: -2.62 migrant(s)/1,000 population; country comparison to world: 147

Urbanization: Urban population: 68% of total population (2008)

Rate of urbanization: 2.1% annual rate of change (2005-10 est.)

Sex ratio: At birth: 1.05 male(s)/female

Under 15 years: 1.05 male(s)/female 15-64 years: 1.02 male(s)/female 65 years and over: 0.92 male(s)/female Total population: 1.02 male(s)/female

Infant mortality rate: Total: 35.78 deaths/1,000 live births

Country comparison to the world: 70 Male: 35.98 deaths/1,000 live births Female: 35.56 deaths/1,000 live births

Life expectancy/birth: Total population: 71.14 years; country comparison to the world: 132

Male: 69.65 years Female: 72.72 years

Total fertility rate: 1.71 children born/woman; country comparison to world: 169

HIV/AIDS: Adult prevalence rate: 0.2% (2007 est.); country comparison to world: 98

People with HIV/AIDS: 86,000 (2007 est.); country comparison to world: 49

Deaths: 4,300 (2007 est.); country comparison to the world: 47

Ethnic groups: Persian 51%, Azeri 21-25%, Gilaki and Mazandarani 8%, Kurd 7%, Arab 3%,

Lur 2%, Baluch 2%, Turkmen 2%, other 1%

Religions: Muslim 98% (Shia 89%, Sunni 9%), other (includes Zoroastrian, Jewish,

Christian, and Baha'i) 2%

Languages: Persian and Persian dialects 58%, Turkic and Turkic dialects 26%, Kurdish

9%, Luri 2%, Baluchi 1%, Arabic 1%, Turkish 1%, other 2%

Literacy: Definition: age 15 and over can read and write

Total population: 77%

Male: 83.5%

Female: 70.4% (2002 est.)

School life expectancy (primary to tertiary education):

Total: 13 years Male: 13 years

Female: 13 years (2005)

Education expenditures: 5.1% of GDP (2006); country comparison to world: 67

#### NATIONAL STANDARD OF LIVING

Since 1990, the annually produces the UN Human Development Index (HDI) Report to accurately measure a nation's standard of living compared to the other 182 nations that participate in the study (self-reported). The UN scores the HDI on a scale of 0.0 to 1.0.

Based on the 2009 HDI Report, Iran received a 0.782 and ranked 88 out of 182 countries. This demonstrates a significant improvement from its 1980 HDI of 0.561. To put HDI in context, Iran's standard of living remains lower than Latin American nations that participate in the HDI study, but Iran's living standard ranked above most East Asian and Pacific nations. Despite the improvements over the last 29 years, Iranians still struggle when compared to the Western world.

#### **POVERTY**

In the Iran-Iraq War (1980-1988), Iranian poverty rates reached 47% in rural areas and 40% in urban areas. After the war, the poverty rate dropped consistently until 2005 when Ahmadinejad took office. In 2006, poverty rates began to rise and reached about 20% in rural areas and 16% in urban areas to comprise the 2007 national average of 18%. <sup>16</sup>

The current economic situation now forces many educated youth to flee the country for better economic opportunity abroad. The Iranian version of Islam allows women to work outside the home and more women than ever now work in commercial jobs.

Although women can work outside the home, high unemployment forces many women and young girls to leave Iran to work in the international sex trade.<sup>17</sup> Many other women work as prostitutes inside Iran. In 2005, Iranian newspapers estimated that up to 300,000 Iranians worked as prostitutes in the country.<sup>18</sup> (See the Economic variable for more information on unemployment.)

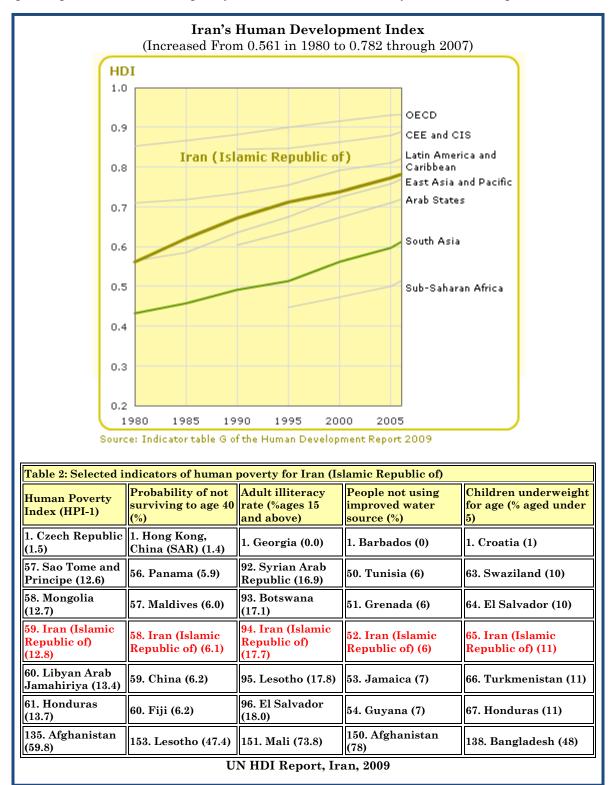
#### HOUSING

Due to increased urban housing costs, high unemployment, and more poverty, Iran's average marriage age surpassed its neighboring countries as marriage costs money. Iranians expect new husbands to possess both a good education and job. Yet in 2009, approximately one-quarter of single people in their 20s could not find employment and more than half still lived with their parents for financial support. If an area some of the highest urban housing costs relative to incomes in the world and makes housing one of Iran's most pressing social problems. In urban areas, widespread corruption and poor government services create a high level of dissatisfaction with the government.

#### **HEALTHCARE**

Iran operates a multi-tiered public healthcare system. Rural health houses, staffed with a male and a female health aide, provide primary care in remote areas. Health centers, usually located in cities or towns, provide second-level care and are staffed by a physician and a trained assistant. Urban

hospitals accept referrals from health centers and private practitioners. Private sector care generally surpasses public sector care in quality, but remains accessible only to the rich and powerful.



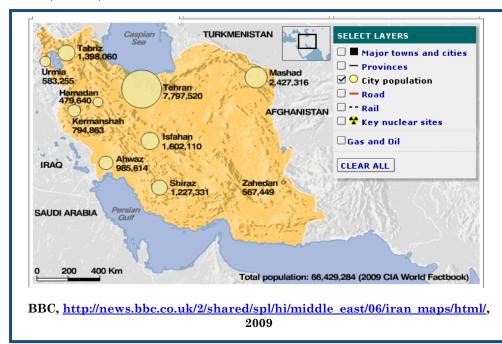
#### **POPULATION**

The CIA estimates Iran's current population as over 66 million, more than double that of Iraq or Saudi Arabia. Since 1980, however, Iran's population growth began to slow dramatically. Iran witnessed a baby boom in the 1980s, followed by a baby bust in the 1990s. Since 2006, Iran's population dropped from 70 million to 66 million, a loss of nearly 6% of its citizens in only four years. According to US Census Bureau projections, Iranian fertility rates will remain at 1.7 children per woman over the course of the next decade; substantially below the normal replacement rate (2.1).

#### **URBANIZATION**

Iran consists now of a "predominantly urban" society.<sup>25</sup> Since 1970, the vast majority of Iranians moved from their rural homes to urban areas in search of higher paying jobs and a better life. In 1970, only 42% of the population lived in urban areas. As of 2008, 68% lived in cities and this percentage increases at a rate of 2.1% per year.<sup>26</sup> Analysts project the current urbanization rates to continue.

In addition, a recent Rand study stated that "most major Iranian cities have been growing rapidly—in some instances, even more rapidly than Tehran."<sup>27</sup> Key urban centers include Tehran, Mashad, Isfahan, Shiraz, and Tabriz.



# POPULATION MOVEMENT

The United Nations High Commissioner for Refugees (UNHCR) stated Iran "hosts one of the largest and longeststaying refugee populations the world."28 Some 70% of the Afghan and Iraqi refugees have resided in Iran for 20 to years. Half of them were born

and educated in the country, and half the refugee population is female.<sup>29</sup>

#### REFUGEES

And as of June 2009, the Iranian Bureau for Aliens, Foreigners, and Immigrant Affairs (BAFIA) possessed a registry of some 976,500 refugees that included 933,500 Afghanis and 43,000 Iraqis.<sup>30</sup> The UN provides no official numbers on Iranian internally displaced persons (IDPs).

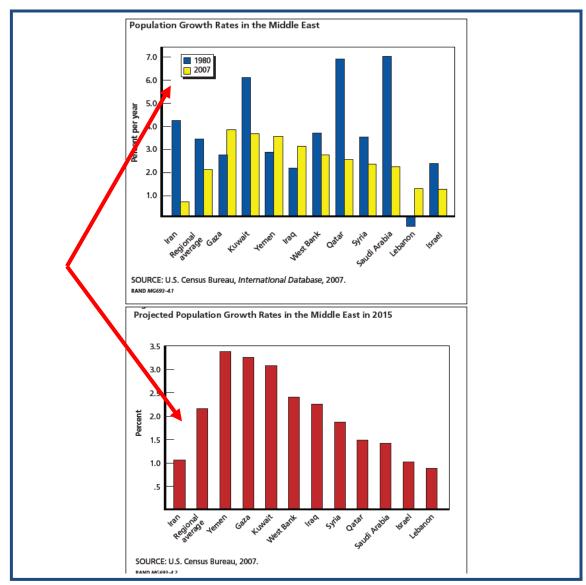
Iran continues to forcibly deport large numbers of refugees, even after the government publically pledged to stop such action. Afghan refugees report abuse, discrimination, hostilities, and horrible living conditions in Iranian refugee camps. The number of Afghan refugees that returned home from Iran, however, dropped to its lowest level since 2002.<sup>31</sup> (For additional information on the refugee situation in Iran, see the map of refugee camps in Annex D, page 1-4-26.)

#### **EMIGRATION**

Iran leads other developing nations of the world in the number of professionals that emigrate. The severe "brain drain" prevents Iran from the utilization of the contributions of their "best and the brightest". Primary and secondary schools, college and university academic standards, and education quality also suffer as the most qualified teachers leave the country.<sup>32</sup>

#### NATIONAL BIRTH/DEATH RATES

Iran currently experiences the Middle East's lowest population growth, with a growth rate of only 0.8%.<sup>33</sup> A nation that cannot maintain a 2.1 birth rate cannot replace its citizens that die annually due to violence, accidents, or nature.<sup>34</sup>



## **DEMOGRAPHIC MIX**

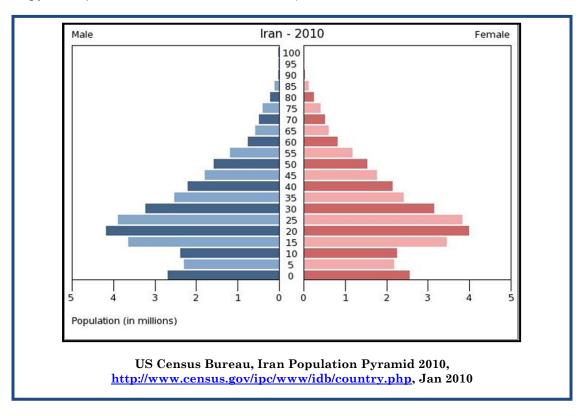
The CIA estimates approximately 48.4 million Iranian citizens are of military age (about 15-64 years old). This number breaks down to 24,501,544 male and 23,914,172 female or about 72.9% of the total population.

#### YOUTH BULGE

Iran population reveals a youthful demographic with half of its citizens at or below the age of 27, compared to the US with a median age of 36.7 years. Pakistan's median age of 20.8 years, Turkey's 27.7 years, Iraq's 20.0 years and Afghanistan's 17.0 years, however, demonstrates that Iran's neighbors exhibit and even younger populace.<sup>35</sup>

#### GENDER: MALE/FEMALE RATIO

In 2009, the US Census Bureau estimated Iran's population as 33,622,213 males and 32,807,071 females. The average Iranian female outlives the average male by about three years.<sup>36</sup> (See population pyramid from the US Census Bureau below).



## GENDER ROLES AND SOCIAL RANKING

The family (immediate and extend) serves as one of the basic foundations of Iran's social structure. Iranians focus on their family and the family shapes their identity, stature, and ambition. Iranians demonstrate dedication to their family before other social variables, such as business endeavors and personal relationships. Iranians expect favoritism or bias toward an individual's family and remains a culturally accepted norm. Multiple family members often work within the same organization;

Iranians rationalize the nepotism as a means to employ reliable and trustworthy individuals. Like Americans that experience difficult life crises, Iranians rely heavily on the family unit as a source for emotional support. Iranians demonstrate intimacy in their relationship with their extended family and tend to care for elderly relatives at home. The immediate family in Iran averages one child per household.

Iranians expect husbands to provide financial support for all the family's needs and assume wives should take care of the responsibilities of the home and child rearing. Wives can and do work and the women can keep their salaries. Husbands, however, cannot legally make their wives work to make up a financial shortfall, as the Iranian culture holds the husband accountable. <sup>37</sup>

Iranian culture places strict prohibitions on interactions between males and nonrelated females. As an obvious extension, sexual activity between unmarried persons violates Islamic law. Iranian males perceive that female family members need protection and from outside influences that might corrupt their virtue. Males may not inquire about an Iranian's wife or another female family member because the culture perceives the inquiry as impolite or an insult.

By law, Iranian women must maintain clothing coverage (*hejabe*) over all their skin except their hands and face when outside their home. In public, women generally wear scarves (a *chador*) to cover their hair, pants, and long button-down coats. Iranian dress, however, demonstrates more modern influences than their neighboring countries where women willingly or the government forces them to wear *abayas* or *burkas*.<sup>38</sup>

Factors such as an individual's age, origin, education level, wealth, and gender contribute to an Iranian's social rank. Social class and family background determine individual status more than an individual's character or achievement. Iranian culture exhibits a hierarchy in its structure. Elaborate rituals of courtesy and respect permeate Iranian culture and affect nearly every social circumstance throughout their society. These customs determines where a person sits at a table, or even how an individual greets another person.

An individual labeled as inferior within a relationship must act subservient and respectful in their interactions with superiors in the societal hierarchy. The superior remunerates the subordinate's gestures with acts of charity and generosity. Iranian society deems this interaction as necessary; however, it may represent little more than a farce in most cases. In reality, both sides of this social engagement tend not to trust each other and both parties may hold suspicions of the other's motives.<sup>39</sup> This façade operates across most Iranian social institutions to include the military and the IRGC.

#### SOCIAL VOLATILITY

Iran currently demonstrates open civil unrest, the rise of a political reform movement, and changes to its basic social fabric (e.g., role of women). Political unrest after the June 2009 presidential election sparked demonstrations across Iran and drew international attention. These massive street protests highlighted Iranians' disapproval of their ruling regime and desire for a more transparent and inclusive political system. Protests continued into the subsequent Iranian holidays. Current observations demonstrate that Iran's opposition movement remains vital and also indicate that Tehran's grip on power may exhibit some vulnerability.

Long simmering tensions between ethnic and religious groups still survive in Iran. For example, tensions between the Shia and the non-Shia groups such as the Iranian Sunni Arabs, Iranian Baluchi separatists, and Iranian Kurds exist in Iran. Reportedly, Shia morality police and government police targeted Baha'is (wide-scale persecution), Christians, and Assyrians in the country, as well as the small number of Jews that live in Tehran. (See the political variable for further discussion of minorities.)

#### EDUCATION LEVEL

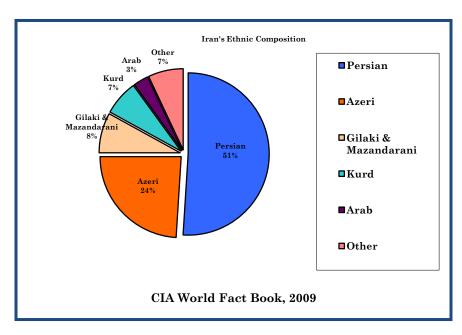
Education remains widely accessible in Iran as most Iranians attend primary and secondary schools.<sup>40</sup> 77% of adults possess basic literacy skills while over 80% complete high school. Annually, over 1 million high school graduates apply for entrance into the nation's universities.<sup>41</sup>

The Iranian primary school system consists of five years of school that most students begin at age six. Middle school consists of three years and high school encompasses four years. The high school academics include science, mathematics, and vocational or technical skills. High school graduates must score well on a mandatory university entrance exam, the *concour*, to attend any public Iranian university.<sup>42</sup>

After the 1979 Iranian Revolution, the primary and secondary educational system emphasized the Koran and selected religious studies. Although government clerics attempted to infuse Islamic teachings into the primary through secondary curricula, some intellectuals resisted these efforts at the university level. To counter this opposition, the government's clerical leadership rewards supporters with university teaching appointments and denies appointments to those with suspect ideological convictions. In 2009, clerics reportedly redoubled their efforts to root out "Western influences" from their education system. In November 2009, to quell recent student protests, the government announced the possibility of the placement of clerics in every school. Local seminaries also expanded their influence over the curriculum of nearby schools. 43 44

#### ETHNIC DIVERSITY

Iran contains a number of ethnic groups. The Persian ethnic group, however, dominates Iranian culture, society, and government. Iran's diverse ethnic mix includes Persians, Azeris, Kurds, Arabs, Baluchs, and other smaller groups. For this discussion, the focus will be on the five largest groups and some key tribes found in Iran.



Despite the ethnic diversity, there remains a strong sense of Iranian national identity.45 The Persian run government has done a good job to maintain the peace between its ethnic minorities, but at times did with a firm hand. Demonstrations by Iranian Sunni Arab (some are Shia) and Sunni Kurd opposition groups have become violent in the past, which forced the government Iranian respond in kind.46 "In the past, overlapping identities within Iran have posed political challenges to the regime," but none currently

show signs that they will directly challenge the government's authority. 47

## PERSIAN

Persians are the dominant ethnic group within Iran. This group represents about 35 million individuals, or about half of Iran's population. They shape the political, economic, and cultural identity for the country. Persians believe themselves to be politically superior and culturally sophisticated compared to other ethnic groups. They speak Farsi (also known as Persian), an Indo-European language using Arabic style script, and the majority adhere to the Shia Islamic religion.

Iranian Persians perceive those who differ in religion or language as second class citizens. While found throughout the country, Persians are mostly concentrated in the central provinces of Tehran, Qom, Markazi, Isfahan, Kerman, Samnan, Yazd, Far, Hamadan, Chahar Mahal, Bakhtiari, and Khorasan. <sup>48</sup>

#### AZERI

Azeris (also known as Azerbaijanis) account for up to an estimated 25% (percentages vary, but fall between 21-25%) of the Iranian populace. Azeris are ethnic Turks and make up Iran's largest minority group. Their total numbers are estimated at 20 million, and are concentrated in the two northwestern provinces that border Turkey and Azerbaijan. The rest of this population can be found dispersed throughout the following cities: Tehran, Tabriz, and Ardebil. Many who belong to this population are bilingual in the Persian and Azeri languages. Azeris perceive themselves as a key part of Iranian society and contribute to the various cultural, political, and military institutions. While grievances exist between the Azeri community and the Iranian government, "Azeris are likely to work within the current system to address their grievances."

The Azeri community functions as a key advocate of the Reform Movement in Iran. As a community, the Azeris actively worked for a more open and democratic political system in Iran. "Today, the center of Iran's Azeri community, Tabriz, is believed to 'host the most active and progressive student democracy movement outside of Tehran." <sup>50</sup>

As a group, the Azeris distrust the Iranian government's attempts to impose the Persian language on them. They complain of governmental ethnic and linguistic discrimination. Azeris possess a strong sense of nationalism, although recently there are indicators of increased interaction between Iranian Azeri's and those living in the country of Azerbaijan.<sup>51</sup> However, there remains "little popular support with Iran's Azeri community to assert a national identity other than Iranian."<sup>52</sup>

## **K**URD

More than three million Kurds reside in Iran (the exact number of Kurds varies considerably across sources). The vast majority of Kurds live in the mountainous region of western Iran from the Turkish and Iraqi borders in the west to Lake Urmia in the north east. The Kurdish population can primarily be found in and around the large cities of Kermanshah, Sanandaj, and Mahabad.<sup>53</sup>

The Kurds differ linguistically and religiously from the Persians and the Iranian government deems the Kurds insignificant. There are signs of strain in the relationship between the Kurdish community and the Persians, particularly when compared to other ethnic groups such as the Azeri. The Persian dominated government continues to view the Kurds "as a threat to internal security and a potential conduit of foreign influence." Given such tensions, the Iranian government remains "likely to maintain its heavy security presence in the Kurdish provinces and close control over the local population." <sup>55</sup>

The vast majority of Iranian Kurds practice Sunni Islam, 8% belongs to the Shia sect, and the remainder practice Christianity or Yazidi. The Kurds exhibit a greater level of education and development than the Baluchis, another ethnic group. The Kurds continue to demonstrate the desire

to seek cultural and political autonomy within the structure of the Iranian state. However, they would prefer to eventually unite with the Kurds in Turkey and Iraq to create a Pan-Kurdish State. <sup>56</sup> According to a recent RAND study, though, the Kurdish community "has little potential to fight for autonomy. It lacks critical mass and remains split among factions within Iran in relation to Kurdish groups in neighboring states . . . . Iranian Kurds may remain a source of opposition to the Iranian regime but will not pose an existential challenge to the state." <sup>57</sup>

#### ARAB

Iranian Arabs claim they can trace back their lineage to the Bedouin tribes of the Middle East. Iranian Arabs speak one of several Arabic dialects. The Arab population can be found in the southern regions of Iran—mainly Ahwaz (<a href="http://www.ahwazstudies.org/">http://www.ahwaz.org.uk/</a>). The majority of Arabs live in the province of Khuzestan while others live

Group and Provinces in Which it Predominates	Religious Affiliation	Language Family	Nearby States with Coethnics
Ethnic			
Persian Hamadan, Tehran, Markazi, Qom, Semnan, Esfahan, Fars, Bushehr, Yazd, Kerman, Khorasan, Chaharmahal va Bakhtiyari	Shi'a	Indo- European	Afghanistan Tajikistan Uzbekistan
Azeri West Azerbaijan, East Azerbaijan, Ardebil, Zanjan, Qazvin	Shi'a	Turkic	Republic of Azerbaijar Turkey Republic of Georgia
Gilaki and Mazandarani Mazandaran, Gilan	Shi'a	Indo- European	
Kurd West Azerbaijan, Kurdistan, Ilam, Kermanshah	~75% Sunni	Indo- European	Turkey Iraq Syria
Arab Khuzestan, Hormozgan	Pred. Shi'a	Semitic	Throughout the Near East and North Africa
Baluch Sistan va Baluchistan, Kerman	Sunni	Indo- European	Pakistan Afghanistan
Turkmen Khorasan, Mazandaran, Gulistan	Sunni	Turkic	Turkmenistan Afghanistan Iraq
Lur Lorestan, Ilam, Boyer Ahmed va Kohgiluyeh	Shi'a	Indo- European	
Tribal <sup>a</sup>			
Talysh Golestan	Shi'a	Indo- European	Republic of Azerbaijar
Qashqai Fars	Shi'a	Turkic	
Bakhtiyari Chaharmahal va Bakhtiyari, Khuzestan	Shi'a	Indo- European	
Major Ethnic and Trib	oal Group	s in Iran	, Rand, 2008

along the coast of the Persian Gulf.

Iranian Arabs are evenly split between and urban rural dwellers. Arabs living Khuzestan mostly Shia Muslims, and most of those along the coast of the Persian Gulf Sunni are In Muslims. the Iranian Arab population, the ratio is slanted slightly toward Sunni overall. 58

#### BALUCH

The Baluchis do not speak Persian and are mostly Sunni Muslims. Their population estimated around 1 million and concentrated in the southeastern provinces of Sistan-Baluchistan, Hormozgan, Kerman. As a group, they are primitive and completed formal education. Most educated Baluchis live in exile in different countries. additional detail, see both the military and political variable.)

#### TRIBAL/CLAN AFFILIATIONS AND STRUCTURE

Currently, more than 90 independent tribes exist in Iran.<sup>60</sup> The following attempts to illustrate the range and location for some of the larger tribes.

#### AFSHAR TRIBES

The Afshar tribe claims Turkish origins and primarily resides in northern Iran. A smaller tribal group resides in southern Iran. 61 62

## GILAK TRIBE (AKA. GUILAKI)

The Gilak tribe resides in Gilan Province, in northwestern Iran, and speaks the Gilaki language. 63

## TALYSH TRIBE

The Talysh, who speak the Talysh language, are ethnically Azeri. They are found mainly in northern provinces of Iran. The Talysh include smaller clans called the Harzani, Kajali, Karingani, and Takistani.  $^{64}$   $^{65}$ 

## QASHQAI TRIBE AND CLANS

The Turkish speaking Qashqai tribe resides in southern Iran. The Qashqai territory extends from Abadeh and Shahreza in the Isfahan Province to the coast. The tribe consists of many clans. The major clans include Kashkooli, Sheesh Blocki, Khalaj, Farsi Madan, Safi Khani, Rahimi, Bayat, and Darreh Shuyee. 66 67

#### BAKHTIARI TRIBE

The Bakhtiari tribe consists of clans living in the mountainous regions between the Chahar Mahal, Fars, Khuzestan, and Lurestan Provinces. The tribe contains two separate branches: Haft Gang and Chahar Gang. The former consists of 55 clans and the latter of 24 clans. The Arabian and Lur clans mix together in the Bakhtiari tribe. The Bakhtiari tribe is also called the Great Lur. 68 69

## LUR TRIBE AND CLANS

Lurestan Province and nearby mountainous areas are home to the Lur clan. The Lur are historically thought to possess the same ethnicity as the Kurds. They are believed to have resided in Iran for such a long time as evidenced by their language, Luri, which is similar to the "old Iranian language." The Bala Garideh are considered the "genuine Lur," and are subdivided into several more tribes including the Janaki, Amaleh, Dirakvand, and Sagvand. However, there are also three other main Lur tribal groups known as Tarhan, Delfan, and Selseleh.

#### KURDISH TRIBES AND CLANS

The most significant tribal clans are the Mokri and Bani-Ardalan, which are north and south of Sanandaj, and Jaaf and Kalhor located in southern Kordestan at the border with Kermanshah and also from the Zagros Mountains to the Khuzestan plain. Subdivisions are found in Paveh, Saqqez, and on the Iraqi border. Additionally, the Kolyai live in Hamadan and the Mahabad dwell in the area between Lake Orumieh and the mountains of Kordistan proper and the Khorasan area. <sup>72</sup> <sup>73</sup>

#### BALUCH TRIBES AND CLANS

The most important Baluch tribes include the Bameri, Balideh, Bozorgzadeh, Riggi, Sardaar Zaie, Shahbakhsh, Lashari, Mobaraki, Mir Morad Zaie, Naroyee, Nooshsiravani, Barohooyee, Baram-Zehi, and Shir-Khanzayee tribes. In the Sistan area are Sarbandi, Shahraki, Sargazi, Zamir-Farsyoon, Mir Arab and the Sanjarani tribes. 74 75

#### ARAB TRIBES AND CLANS

Arab tribes mainly reside along the gulf coast. They inhabit the territory west of the Bakhtiari territory, although some of the two tribes overlap geographically. The largest and most significant Arabian tribe in Iran is the Bani-Kaab. Clans of the Bani-Kaab are found in the Minoo Island, Khorramshahr, and Shadegan areas on both sides of the Karun River, and north near Ahwaz. One of the other significant Arab tribes, the House of Kassir, actually live in Ahwaz, which is southwest of the Dezful River and touches on the Shushtar River.<sup>76</sup>

#### TURKMEN TRIBES AND CLANS

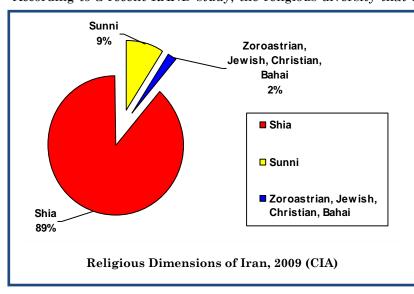
Key Turkmen tribes in Iran are the Kuklans and Yamotes. Six branches comprise the Kuklans and inhabit central and eastern parts of Sahra. The Yamotes are smaller with only two large clans, the Atabai and Jaafarbai, who also live in Sahra, but in the western region. Various other Turkmen tribes live farther east. <sup>78</sup> <sup>79</sup>

#### NOMADIC TRIBES AND CLANS

The Iranian nomadic tribes (Ashayir) travel throughout the provinces with their families and herd animals, based on the season and food/water availability. The Ashayir hail from a variety of ethnic groups and tribes listed above such as the Turks, Turkmen, Persians, Kurds, Lurs, Arabs, and Baluch.<sup>80</sup> The nomadic tribes are concentrated in the Zagros, but small groups are also found in northeastern and southeastern Iran. <sup>81</sup> 82

#### Religious Diversity

In contrast to its level of ethnic diversity, Iran "is relatively homogenous in terms of religion." 83 According to a recent RAND study, the religious diversity that does exist is "highly correlated with



ethnicity: Iran's largest non-Shia bloc—Sunni Muslims—is largely drawn from Iran's Kurdish, Baluchi, and Turkemen populations."84

The majority of the population is Muslim (98%), of this group 89% are Shia and 9% are Sunni (mostly Turkmen, Arabs. Baluchis, and Kurds. Non-Muslims account for 2% of the population.85 There are no official statistics available on the size of the Sufi Muslim population; however, some reports estimate between two million and five million persons practice Sufism.<sup>86</sup>

#### Religious Tensions

According to the Department of State, the Iranian Constitution states that:

Islam is the official state religion, and the doctrine followed is that of Ja'afari (Twelver) Shi'ism. The Constitution provides that 'other Islamic denominations are to be accorded full respect,' while the country's pre-Islamic religious groups—Zoroastrians, Christians, and Jews—are recognized as "protected" religious minorities. However, Article 4 of the Constitution states that all laws and regulations must be based on Islamic criteria. In practice, the Government severely restricted freedom of religion.<sup>87</sup>

The Iranian government continues to repress some minority religious and ethnic groups, including Baha'i, Arabs, Kurds, and Azeris.<sup>88</sup> The Baha'i are the most repressed religious group in Iran. A Department of State statement on 11 Jan 2010 highlights the situation:

The United States strongly condemns the Iranian government's decision to commence the espionage trial against seven leaders of the Iranian Baha'i community: Mrs. Fariba Kamalabadi, Mr. Jamaloddin Khanjani, Mr. Afif Naeimi, Mr. Saeid Rezaie, Mr. Behrouz Tavakkoli, Mr. Vahid Tizfahm, and Mrs. Mahvash Sabet. Authorities have detained these persons for more than 20 months, without making public any evidence against them and giving them little access to legal counsel. Reports indicate as many as 48 Baha'i are currently imprisoned in Iran solely on the basis of their religious beliefs. The Government of Iran is responsible for their safety while they are in prison. 89

#### RELIGIOUS HOLIDAYS

Iran observes 14 religious holidays as national holidays, including Eid-e-Ghadir, Tassoua, Ashura, Arbaeen, Death of the Prophet Muhammad, Martyrdom of Imam Reza, Birthday of Imam Ali, Ascension of the Prophet Muhammad, Birthday of Imam Mahdi, Eid-e-Fitr, Martyrdom of Imam Ali, Martyrdom of Imam Jafar Sadegh, Eid-e-Ghorban, and the Islamic New Year. 90

#### **ISLAM**

Islam is practiced by the vast majority of Iranians and governs their personal, political, economic, and legal lives. The Prophet Muhammad is seen as the last of God's emissaries to bring revelation to mankind.

The Prophet Muhammad founded the religion of Islam between 610 and 632 AD. The Koran and the *hadith* (collection of sayings and acts of Muhammad) serve as the basis for the Muslim religion. In the 7th century, Shia and Sunni Muslims split over the rightful spiritual and secular successor (caliph) of Muhammad, in a fight between blood lineage verses senior male authority. This remains the major difference between the two sects today. Some similarities, however, exist. For example, they both follow the Five Pillars of Faith and collectively worship on Fridays.

In the holy month of Ramadan, all Muslims must fast from dawn to dusk and are only permitted to work six hours per day. The fast includes no food, drink, cigarettes, or even gum. Families and friends gather together each night at sunset to celebrate the breaking of the fast (*iftar*). The festivities often continue well into the night. In general, things happen more slowly during Ramadan. Many businesses operate on a reduced schedule. Shops may be open and closed at unusual times.

#### Velayat-e Fagih (Rule of the Islamic Jurist)

One important social and political element of Iranian Shia Islam is the concept of the *velayat-e faqih*, or the rule of the Islamist Jurist.<sup>91</sup> Islamic Jurist, in this sense, refers to someone with significant

training in Islamic religious law, and its application to religious and common social issues and problems (though it is important to note that an Islamic scholar or ayatollah would not make such a distinction between religious and secular discussions. Islam is a way of life, not just a religion. Traditionally, velayat-e faqih referred to a requirement for Shia religious scholars to know Islamic law (Sharia), develop solutions to new problems based on Sharia, and adjudicate disputes. Additionally, scholars profess a social responsibility to care for widows, orphans, the indigent, seminary students, and others who could not provide for themselves. 92

In the 1970s, Ayatollah Khomeini started to publish a series of lectures that proposed a massive expansion of the rule of the Islamic jurist concept to the rule of the entire nation. Ayatollah Khomeini proposed that the government's true role was to rule in accordance with Sharia. To do so, an accomplish jurist must guide the country's laws and political policies. As a direct challenge to the Shah, Khomeini gave religious sanction to the variety of groups opposing the Shah, and vaulted himself to a leadership role in the subsequent series of events that led to the downfall of the Shah.<sup>93</sup>

The expansion of the *velayat-e faqih* into the political sphere was by no means a universally supported idea; from the 1970s to the present day, many Grand Ayatollahs have expressed grave doubts about the religious sanction of overall rule in accordance with the rule. (Grand Ayatollah Sistani is among the most respected Shia Jurists, arguing that such an expansive interpretation of the rule is not in keeping with Shia religious thought.)<sup>94</sup>

#### Five Pillars of Islam

The Five Pillars of Islam are the foundation of the entire faith:

- 1. Profession of faith: there is no God but God, and Muhammad is his messenger.
- 2. Daily prayer: intended to focus a Muslim's mind on Allah and is practiced five times a day.
- 3. Giving to charity, *zakat*, is another important pillar, although only those who have the means to give must.
- 4. Observing the month of Ramadan: Muslims fast from sunup to sundown.
- 5. Hajj: the once in a lifetime pilgrimage to Mecca Muslims are expected to make if they can afford it.<sup>95</sup>

#### Islamic/Arabic/Persian Official Titles

- Ayatollah: From the Arabic *ayat* Allah, meaning "sign of God," a high-ranking religious authority. In Iran, it refers to the nation's political and religious leader.
- Emir: Leader or commander; *Emir-ul Momineen* means "commander of the faithful." Emir can also be used as the Arabic equivalent of "prince."
- Imam: Shias use imam for Muhammad's descendants, whom they believe to be the true rulers of Islam. For Sunni Muslims, imam means "prayer leader."
- Mufti: A Muslim scholar who interprets Islamic law. Only a mufti can issue a fatwa, a formal ruling on a matter of Islamic law.
- Mullah: The definition can vary regionally. For Afghanistan, Ahmed Rashid's Taliban
  defines it as the traditional prayer leader at a local mosque. Others tend to use this title
  for a formally trained Islamic cleric who has attained the required degrees.
- Shah: King; formerly the title for Iran's hereditary monarch. A title for the Persian emperor was *shah-en-shah*, or "king of kings."
- Sheikh: A tribal chief or leader; sometimes used for a wise elder.

## ZOROASTRIAN

Zoroastrians adhere to the ancient teachings of Zoroaster, one of the original monotheistic religions of ancient Persia that originated between the 18th and 10th centuries BCE.<sup>96</sup> The Department of State estimates show there are 30,000 to 35,000 Zoroastrians, a primarily ethnic Persian minority; however, Zoroastrian groups claim to have 60,000 adherents.<sup>97</sup>

#### BAHA'I

The Baha'i, numbering 300,000 to 350,000, worship based on the teachings of Sayed Ali Muhammad from Shiraz, dating back to 1844, who prophesied that a universal Manifestation of God would be "sent to inaugurate an age of peace and enlightenment as promised in all the world's religions." Baha'i is not officially recognized by the government as a minority religion and is referred to as a perversion. The Iranian government prohibits them from teaching and practicing their faith. Baha'is are barred from all leadership positions in the government and military. They are also banned from the Iranian social pension system.

#### **CHRISTIANITY**

There is a small Christian population in Iran. Christianity, combined with three other minority religions, accounts for only about 2% of the population. Many Christians in Iran suffer persecution. In some cases, Christian women who do not wear at least a head covering can face threats and harassment. Some Christians have claimed religious discrimination in employment and educational opportunities. Converts from Islam to Christianity often face threat of prison and even the death penalty as apostates. <sup>101</sup>

#### **JUDAISM**

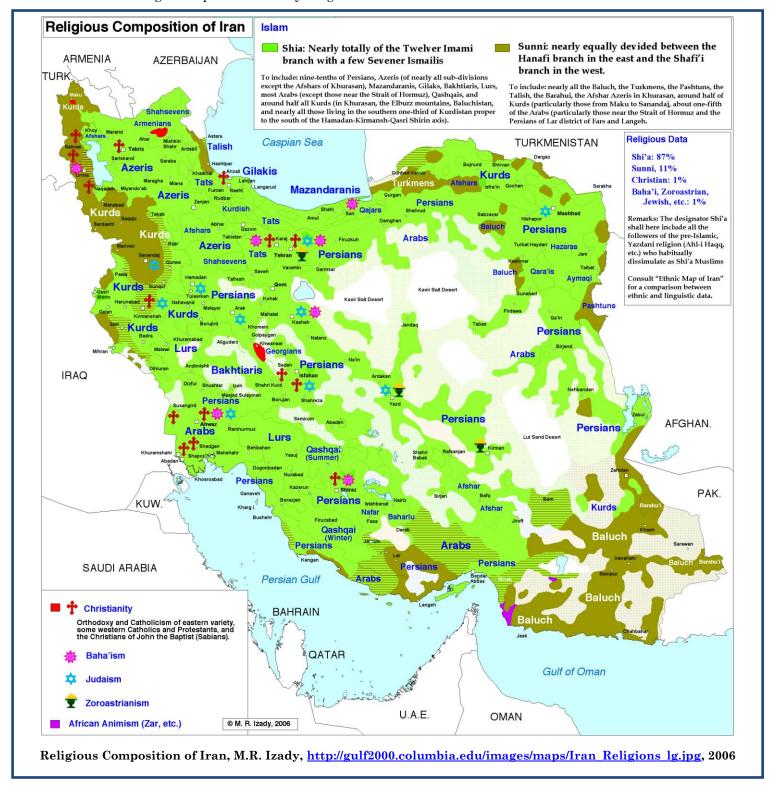
Most are surprised to learn that Iran boasts the largest Jewish population of any Middle Eastern country other than Israel itself. Currently, nearly 25,000 Iranian Jews reside in Iran, determined to peacefully coexist. This Jewish remnant continues to retain their ethnic, linguistic, and religious identity. Jews most often reside in the larger cities, such as Tehran.

#### FREEDOM OF RELIGION

The 2009 Annual Report of the US Commission on International Religious Freedom (USCIRF) states that:

The government of Iran continues to engage in systematic, ongoing, and egregious violations of religious freedom, including prolonged detention, torture, and executions based primarily or entirely upon the religion of the accused. Iran is a constitutional, theocratic republic that inherently discriminates against its citizens on the basis of religion or belief. Over the past few years, the Iranian government's poor religious freedom record has deteriorated, especially for religious minorities and in particular for Baha'is as well as Sufi Muslims and Evangelical Christians, including intensified physical attacks, harassment, detention, arrests, and imprisonment. In September 2008, the Iranian parliament took further steps toward passing a revised penal code that would codify serious punishments, including the death penalty, on converts from Islam. Heightened anti-Semitism and repeated Holocaust denial threats and activities by senior government officials have increased fear among Iran's Jewish community. Since the 1979 Iranian Revolution, significant numbers from religious minority communities have fled Iran for fear of persecution. Dissident Muslims also continue to be subject to abuse. 102

Although the Iranian Constitution gives Christians, Jews, and Zoroastrians the status of "protected" religious minorities, in practice, non-Muslims face societal discrimination. A 2008 report from the US State Department Bureau of Democracy states that government action continues to create a "threatening atmosphere" for many religious minorities in Iran. 103



#### CULTURAL AWARENESS

## RELATIONSHIPS WITH KEY CIVIL, RELIGIOUS, AND TRIBAL LEADERS

- Typically, there are three types of leaders in Iran:
  - Civil/Administrative: Mayors, Police Chiefs, etc.
  - Religious: ClericsTribal: Sheikhs
- Sources of power and extent of authority varies
- Expect counterparts to be position and rank conscious <sup>104</sup>

#### MAYORS AND POLICE

- Generally respected
- Modestly influential within the community
- Expected to maintain civil functions in areas in which they operate 105

#### RELIGIOUS LEADERS

- Titles and roles vary between Sunni and Shia
- Sunni:
  - No formal clerical hierarchy
  - Leaders chosen by appointment
  - Key religious figures:
    - o Imams (Arabic for leader): a prayer leader (used by Shia/Sunni)
    - Qadis: judge of Islamic law (Sharia)
- Shia:
  - Evolved clerical hierarchy: Ayatollahs, mullahs (can be used by Shia and Sunni; e.g., Mullah Omar is Sunni) and the ulema (religious leaders)<sup>106</sup>

## BASIC CULTURAL NORMS AND VALUES

## **Tribal System**

- Sheikhs can be influential and powerful; but not always.
- A Sheikh can have family members (and therefore influence) spread over large geographic areas and may not have any real power or influence in his immediate area.
- Tribal organization:
  - Tribal Confederation
  - Tribe
  - Sub-tribe
  - Clan
  - Branch
  - Familv<sup>107</sup>

#### Honor and Shame

• Honor in Iranian culture defines an individual's reputation and worth.

- The head family male is responsible to protect the family honor.
- When someone's honor is compromised, Iranians will look for a way to exact revenge for themselves, their family, or their group. 108
- The common greeting is "salaam alaykum" or more simply "salaam" (peace). 109 (For information on etiquette and protocol as it relates to Iran, see Annex D, page 1-4-27.)

#### CRIMINAL ACTIVITY

Many years ago, the US State Department issued a warning to US persons against travel to Iran and it remains in effect. "US citizens who travel to Iran despite the Travel Warning should exercise caution throughout the country, but especially in the southeastern region where westerners have been victims of criminal gangs often involved in the smuggling of drugs and other contraband."<sup>110</sup>

In 2000, the Iranian government reported that Tehran contained up to two million drug addicts, who consumed up to five tons of narcotics daily. Drug use and prostitution were widespread among young Iranians; such issues continue in 2009.<sup>111</sup>

Petty street crimes—such as robberies by men in unmarked cars and on motorcycles—also commonly occur across Iran. Some victims have reported robberies by police impersonators in civilian clothing. Since 2005, terrorist explosions have killed a number of people in Iran. The US State Department warns, "Be aware that the Iranian government has blamed the US and/or UK governments for involvement in the February 2007 bombing that killed Iranian military forces in Zahedan in the southeast, the 2005/2006 bombings in Ahvaz/Khuzestan in the southwest and the May 2009 bombing of a mosque in the southeast Iranian city of Zahedan." 112

While Iran does not publish national crime statistics, the Iranian news media and other organizations such as the UN report major incidents of criminal activity and public executions. In 2008, the UN reported that Iran executed the most "criminals" per capita than any other nation. Iran executed 320 persons including seven juveniles. About 130 juvenile offenders remain on death row. 113 Between January and May 2009, Iran reportedly executed approximately 90 convicted criminals for capital crimes. 114

The Iranian government considers most violent crimes—to include murder, robbery, rape, and drug distribution—as capital offenses and punishable by hanging. 115 Judges, however, continue to hand down disparate sentences for capital offenses such as stoning and throwing from heights. Iranian judges also regularly order the execution of persons for adultery and for premarital sex (neither partner is married), despite UN requests to end such practices. "Judicial officials often discriminate between the sexes, and sentences of stoning to death for adultery are disproportionately handed down to women." 116

The UN reports that narcotics and human trafficking are major criminal enterprises in Iran. Iran remains a destination country and a global drug transit point for narcotics from Afghanistan. The Taliban regularly traffic opium, heroin, morphine, and hashish into Iranian border towns from routes through Baluchistan, Nimruz, Farah, and Herat.

According to the UN, criminal networks traffic Iranian women to Europe, Central/South Asia, and the Persian Gulf states for labor and sexual exploitation. Iran remains a significant destination country for boys from Pakistan, Afghanistan, and Bangladesh for labor.

#### **COMMON LANGUAGES**

Iran's principal language is Persian (Farsi), spoken by about 50-58% of the population<sup>117</sup>. The Iranians view the ability to communicate in the Persian language (the country's official language) as a standard of civility and social distinction. Many Persians perceive the ability to speak Persian as a

major indicator that separates the lower classes from the elites. In the remaining population, 26% speak Turkic, 9% Kurdish, 2% Luri, 1% Baluchi, 1% Arabic, and 3% speak other languages. 118

#### PERSIAN

The Persian language possesses a long history, in which many Iranians take considerable pride. It assimilated the Arabic alphabet and numerous Arabic and Turkish words into its mainstream vocabulary. Iranians view social rank dependent on the ability of ethnic minorities to communicate (read, write, and speak) effectively in Persian. The Bakhtiari and Lurs, while Persian native speakers, are frequently illiterate and the elite class does not view them as fully Persian or truly "Iranian."

#### TURKIC

Linguists consider Azerbaijani as a Turkic language written with Arabic script and serves as the main language of the Iranian Azeri (aka Azerbaijani) population. Many Azeris, however, communicate fluently in Persian.

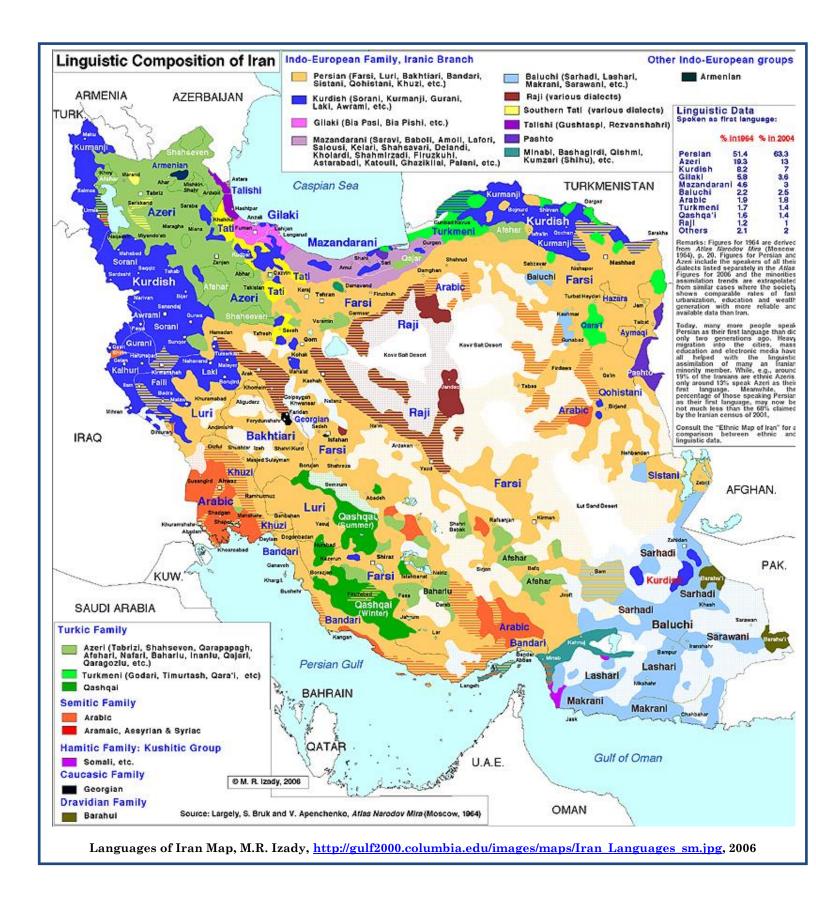
#### KURDISH

The Iranian Kurds, who live in Western Iran and adjacent areas of Iraq and Turkey, use the Kurdish language that also uses Arabic script. Various Kurdish dialects, however, exhibit significant differences based on the region where the Kurds reside.

## OTHER (LURI, BALUCHI, ARABIC, TURKISH, ETC.)

Only 1% of the population speaks the Baluchi language (Indo-European) of the semi-nomadic people who live in southeastern Iran and other areas of Afghanistan and Pakistan. Baluchi is also an Indo-European language and fairly close to the Persian language that is spoken by the Baluchi in eastern Iran. The Baluchi also speak the Brahui language which is seldom used in written form, since few Baluchis are literate.

Iranian Arabs speak two main dialects or offshoots of Arabic: Those from the Khuzestan area speak the Iraqi dialect and those of Bushehr and Hormozgan speak the Gulf dialect.



#### **HUMAN RIGHTS**

Iran's government possesses a spotty human rights record that appears to get worse over the years due to hard line Islamic leadership. Reports over the past few years recount numerous severe abuses, especially after the 2009 presidential elections. The UNHCR's 2008 Report on Human Rights-Iran, cites serious concerns over Iran's human rights record. Reported human rights violations over the last few years include:

- Unjust executions after reportedly unfair trials
- Disappearances
- Torture and severe officially sanctioned punishments such as death by stoning or flogging
- Excessive use of force against student demonstrators
- Poor prison conditions
- Arbitrary arrest and detention
- Lack of judicial independence
- Lack of fair public trials
- Political prisoners and detainees held without charges or held on false charges
- Restrictions of civil liberties, such as speech, press, assembly, association, movement, and privacy
- · Severe restrictions on freedom of religion
- Official corruption
- Lack of government transparency
- Violence and legal and societal discrimination against women, minorities, and gays
- Trafficking of persons
- Incitement to anti-Semitism
- Restriction of workers' rights, such as freedom of association, organizing, and collective bargaining.
- Child labor, including forced child labor
- Persecution of minorities, including religious minorities

#### Women's Rights

Iranian women still continue to suffer from basic rights discrimination. According to the UNHCR's 2008 Report on Human Rights-Iran:

Women continue to face widespread discrimination in law and practice, despite President Ahmadinejad's claims that Iranian women are the 'freest in the world.' Gender inequality is widespread and sustained by Iranian law. For example, unless her ex-husband is a drug addict or in prison, a divorced woman must hand over [to her ex-husband] custody of her sons when they reach two years of age, and of her daughters when they reach seven. <sup>120</sup>

Besides family rights issues, women suffer discrimination under property law as well. For example, when a father passes and leaves an inheritance, the daughter only receives half of what her brother receives.<sup>121</sup>



Women at the Forefront of Iranian Protests (Writing means "Women=Men"), <a href="http://www.rferl.org/content/Women At Forefront Of Iranian Protests/1760110.html">http://www.rferl.org/content/Women At Forefront Of Iranian Protests/1760110.html</a>, 11 Jan 2010



Neda Agha Soltan, shot in chest during election protests,
<a href="http://www.rferl.org/content/Women At Forefront Of Iranian Protests/1760110.html">http://www.rferl.org/content/Women At Forefront Of Iranian Protests/1760110.html</a>,
<a href="http://www.youtube.com/watch?v=9cx11tcjzX4">http://www.youtube.com/watch?v=9cx11tcjzX4</a>, 20 Jun 2009

Women now lead many of the Tehran street protests, even standing up to police squads as they attack protesters. Women such as Neda Agha Soltan in the photo above, died for their beliefs in the Tehran streets. 122 'Many protesters use Neda's name as their rallying cry.

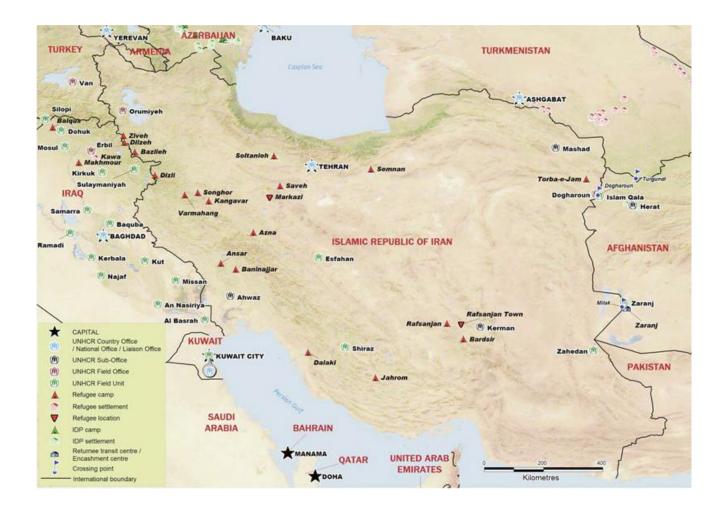
## Summary

Iran's society has attempted to evolve, while the people continue to live under a theocracy-dominated government that is mismanaged by powerful Shia clerics. While Iran's citizens enjoy a higher standard of living than some of its regional neighbors, Iranians are frustrated with the persistent high inflation and unemployment rates. Young adults must attempt to overcome the economic obstacles to marriage and a family of their own. The rural poor still do not enjoy the improvements in their standard of living promised by the Iranian leaders in the last two national elections. Many

professionals leave Iran to seek better opportunities abroad. All of these issues continue to perplex the religious establishment, who cannot develop viable solutions for them.

## Annex D

Map1: Location of refugee camps across Iran.



United Nations, http://www.unhcr.org/cgi-bin/texis/vtx/page?page=49e486f96, 2009

## ETIQUETTE & PROTOCOL

## Public vs. Private Etiquette

- Iranians possess two distinct identities: "Zaher" (public) and "batin" (private).
- In public, Iranians must conform to proper modes of behavior; only in their homes will they feel free to act as themselves. Family members are always part of the inner circle where they can relax.
- The inner circle forms the basis of a person's social and business network. Family and friends are very important and this importance extends into business. 123

## Taarof (Iranian Politeness)

- Taarof is a system of politeness including both verbal and nonverbal communication.
- Iranians refuse compliments and try to appear vulnerable in public.
- They belittle themselves to appear humble. Other Iranians know *taarof* is merely a courtesy and do not take the words seriously.
- According to *taarof*, if you are offered something (like tea or sweets), first decline it until your host persists. 124

## Meeting Etiquette

- Introductions are generally restricted to members of the same sex as males and females socialize separately.
- Greetings are affectionate. Men kiss other men and women kiss other women at social events. If you meet a person on the street, the handshake is the most common greeting.
- When Iranians greet, they take their time and chat about general subjects.
- The common greeting is "salaam alaykum" or more simply "salaam" (peace). 125

#### Gift Giving Etiquette

- Iranians give gifts at various social occasions.
- On birthdays, coworkers bring sweets and cakes to the office and do not expect to receive gifts themselves.
- It is common to give monetary gifts to servants or workers during *No Ruz* (the Iranian New Year). Bank notes or gold coins are expected.
- If you are invited to an Iranian's home, bring flowers or pastry to the hosts. When the gift is presented to the host, always apologize for its inadequacy.
- Neatly wrap gifts; most shops will wrap them for you.
- The host will generally not open the gifts in the giver's presence. <sup>126</sup>

## DINING ETIQUETTE (IF YOU ARE INVITED TO AN IRANIAN'S HOUSE)

- If the host is shoeless, remove yours at the door.
- Dress plainly and appropriately. Women should cover their head or wear a veil. Men should dress in Western style clothing in conservative colors.
- Arrive on time.
- Greet elders that are present first as this demonstrates respect.
- Expect activities to take place in the guest room; usually expensively furnished with European style furniture.
- Individually shake everyone's hand.
- Accept any offer of food or drink, but remember *taarof*.
- Table manners:

- Iranians are rather formal. In traditional homes, meals may be served on the floor and without eating utensils. In modern homes, meals are more often served on a table with utensils.
- Wait to be seated.
- Eat with the right hand.
- Try a little of everything.
- In modern homes, tables are set with a spoon and fork only.
- There is often more food than you can possibly eat. Iranians tend to shower guests with abundance.
- Expect the host to offer second and even third helpings. The host will assume the initial refusals as *taarof*.
- Leave some food on your plate to show you are full. 127
- Restaurants generally maintain two sections: A "family" section where women and families dine together and a "men's only" section. Tips between 10-15% are normal.<sup>128</sup>

## Business Etiquette and Protocol: Relationships & Communication

- Iranians prefer to conduct business with those they know and respect. Therefore, expect to spend some time to cultivate a personal relationship before the actual business takes place.
- In Iranian culture, who you know is often more important than what you know. It is important to network and cultivate a number of contacts.
- Expect an offer of hot tea whenever you meet someone as this demonstrates hospitality.
- Since Iranians judge people on appearances, dress appropriately and stay in a high standard hotel. <sup>129</sup>

## **Business Meeting Etiquette**

- Appointments are necessary and should be made four to six weeks in advance.
- Confirm the appointment one week out and again upon arrival in country.
- If possible, avoid any meetings during Ramadan.
- Arrive on time as Iranians consider punctuality a virtue.
- The first meeting is generally social with tea and snacks.
- Do not be surprised if your meeting is frequently interrupted.
- Bring any documents with you in both Farsi and English.
- Do not remove your suit jacket.
- Do not look at your watch or try to hurry the meeting to a conclusion. This will make you appear untrustworthy to the Iranians. <sup>130</sup>

#### **Business Negotiating**

- It takes time for Iranians to warm up to foreigners. They may appear somewhat stiff and formal for a time.
- Personal relationships form the basis of good business.
- Decisions are not hurried.
- Iranians are deliberate negotiators and drive a hard bargain.
- Avoid high-pressure tactics on your part.
- Iranians may fain emotion, walk out, or threaten to end the friendship just to convince you to modify your position.
- Iranians will use time as a negotiating tactic. This is especially true if they know you must meet a deadline.
- Decisions are made at the top of the company, either by one person or a small council. Most companies possess a hierarchical company organization. 131

## **Business Dress Etiquette**

- Business attire is formal and conservative.
- Men should wear dark colored conservative business suits.
- Ties are not worn by Iranians, but are acceptable.
- Dress well as first impressions are important to the Iranians.
- Women should dress modestly with their hair covered. <sup>132</sup>

#### **Business Cards**

- Only senior-level executives exchange business cards.
- Rank and position are very important to the Iranians. Ensure your business card includes rank and title.
- Translate your card into Farsi and put the information on the reverse side of the card.
   Present your card so the Farsi side faces the recipient. <sup>133</sup>

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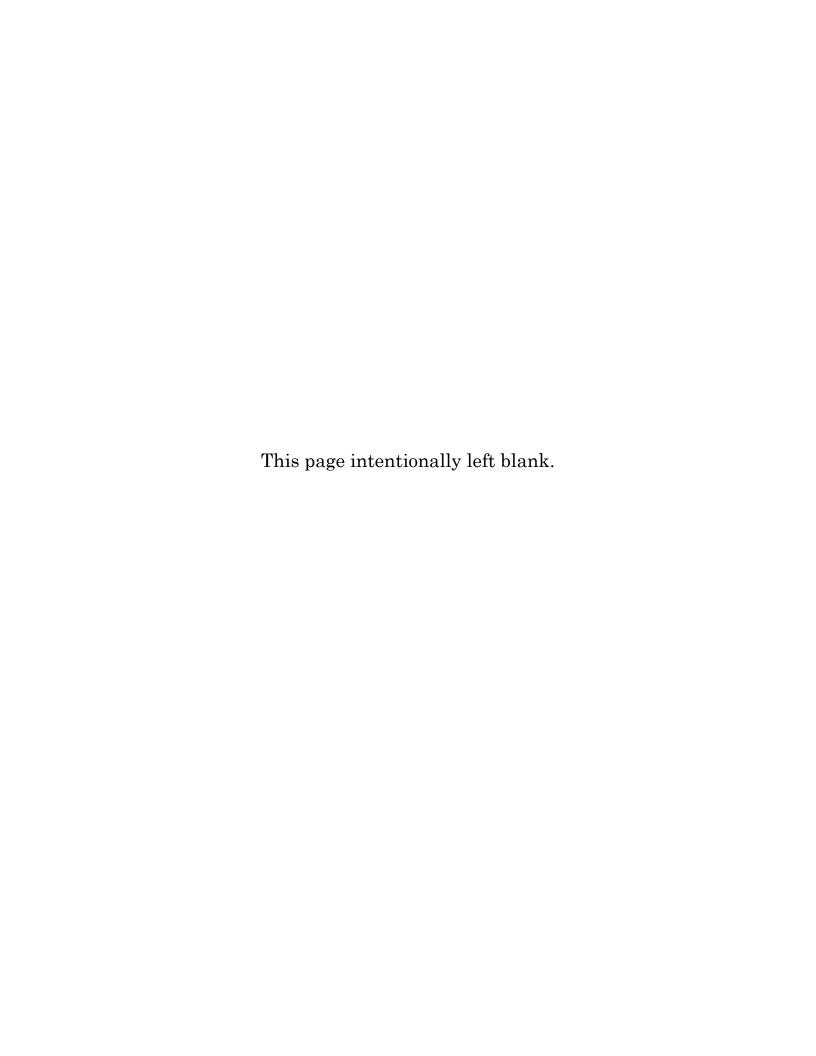
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# INFORMATION



## Information

The information variable describes the nature, scope, characteristics, and effects of individuals, organizations, and systems that collect, process, manipulate, disseminate, or act on information.

"The authorities in Iran are highly conscious of the power of the media....They use a two-pronged approach. At home, they enforce controls on the media that stifle freedom of expression, although there are still outlets on TV, radio, in the press and on the Internet that provide alternative points of view and are available to ordinary Iranians. Abroad, Iran harnesses satellite TV and radio to get its views across in a variety of languages—Arabic in particular—in an effort to influence opinion in neighbouring [sic] countries and the wider world. In Iran, there is no escape from the control that the state exerts over the media."

Sebastian Usher (BBC), 2006

## **KEY FACTS:**

- By regional standards, Iran possesses an increasingly developed and sophisticated information environment, in both the technical and human realms.
- Despite significant Reform Movement Information Warfare (INFOWAR), the Iranian Government functions as a supple and creative information actor with the ability to craft a resonating message while they aggressively outflank competing messages.
- The Iranian middle and upper middle classes are educated, patriotic, and information savvy.
- The Iranian Revolutionary Guards Corps (IRGC) or former IRGC members own or control much of the information distribution infrastructure (TV stations, newspapers, etc.).<sup>1</sup>

#### OPERATIONAL IMPACTS OF THE INFORMATION VARIABLE IN THE OE:

- Information messages with appeals to Shia martyrdom and Iranian Nationalism/Exceptionalism will resonate with the Shia population.
- Through family ties, many Iranians enjoy links to Western countries and possess the ability to receive foreign news and information through satellites and the Internet.
- Iranians view the control of their access to information as key to maintaining clerical power.

#### **INFORMATION OVERVIEW:**

The information variable reflects Iran's complexity as many Iranians, especially the urban elites, maintain excellent global awareness despite their residence in an authoritarian nation that exercises a heavy hand in information control and censorship. Iranian Exceptionalism, or the belief in the uniqueness of Persian culture, strikes a strong cord even with those elements that the Islamic Republic persecutes most.<sup>2</sup> A proliferation of high technology VSAT (very small aperture terminal) dishes in the cities coexists with complex word-of-mouth networks that extend globally through families and have existed for thousands of years. Operations within Iran must plan for a variety of complex information networks.

Through the recent political unrest, the Iranian opposition meticulously crafted a mosaic of methods for its global message dissemination. The Reform Movement used social networking sites (Twitter and Facebook), video sites (youtube.com), peer-to-peer (P2P) file sharing services (like the Swedish service Pirate Bay), instant messaging, texting, and almost any electronic communication forms to expose the Iranian Government's heavy-handed response to the protests against the 2009 government-sponsored, wide-scale election fraud.<sup>3</sup> Additionally, the Iranian protesters used photography and video of the Basij, IRGC, and Law Enforcement Forces (LEF) in often brutal action to shame and implicitly threaten government forces with reprisal.

Aggressive action and effective impact on the strategic, operational and tactical levels characterize Iranian intelligence and INFOWAR actions. Iranian intelligence demonstrates the ability to achieve success despite its limited resources when compared to Israel or the US.

Despite the internal Iranian Reform Movement's recent actions, the Iranian Government maintains effective information control (as of January 2010).

#### PUBLIC COMMUNICATIONS MEDIA

In the late 1990s, the election of moderately reform minded politicians like Akbar Hashemi Rafsanjani ushered in a relaxation of restrictions in the issuance of media licenses. As a result, a flurry of media activity emerged, especially in the print sectors of newspapers and magazines. Many of these new independent media outlets were advocating reform and transparency in many sectors of Iranian life, most notably in the political and social realms. In 2000, however, the establishment of a much more religiously-oriented, autocratic political environment created the conditions for the Iranian government to significantly truncate this short-lived press freedom.

A backlash against this media freedom manifested itself through lawsuits filed by allies of the Islamic Republic's Government against publishers and reporters for libel, and the rulings by the Press Court of the Iranian government to temporarily or permanently suspend the publication of dozens of newspapers. Despite assurances of press freedom in the Iranian Constitution, the Press Law requires that content not "violate Islamic principles" or "damage the foundation of the Islamic Republic." This allows for the government of Iran to exercise comprehensive control on media outlets within the Islamic Republic.

As the intellectual and political center of Iranian life, Tehran unsurprisingly serves as the hub of media activity. Most newspapers, which include almost all of Iran's largest, maintain substantial circulations in Tehran. Most electronic media also maintain their headquarters in Tehran. Many foreign news organizations maintain their Iran bureaus in Tehran, which include those of France, Turkey, Russia, China, and the United Kingdom.

The Iranian Government strictly monitors and filters Internet content and from time to time cracks down on Internet users that violate Islamic standards. While some "private" Internet Service Providers (ISPs) exist, the Iranian state effectively controls the Iranian Internet. In 2003, due to perceived violations of Islamic principles and foreign influences, an Iranian Government commission began to monitor Internet news websites, blogs, and forums for anti-Islamic and antigovernment messages.

The Iranian Government conducts substantial censorship.<sup>4</sup> Although the Iranian Government made satellite dishes illegal, the police erratically enforce the law. Iranians attempt to access foreign media from outside the country through satellite television and the Internet. Some Iranians, through satellite broadcasts or television band radio, possess the ability to obtain international news with limited censorship. Although forbidden by law, an estimated one million satellite dishes receive

international broadcasts. At times, the Iranian Government effectively used electronic jamming against foreign satellite broadcasts as it probably found jamming more cost-effective than locating individual receivers.<sup>5</sup>

Generally, Iranian ethnic Persians receive and accept official information from state media sources more than Iranian Kurds, Sunnis, Assyrians, and Azeris. In the past, Iranian governmental media sources demonstrated a propensity to discriminate against ethnic and religious minorities in Iran. Also, many of these ethnic groups receive various media in their own language from foreign sources, predominately the Azeris and Kurds.

The Iranian Ministry of Culture and Islamic Guidance funds and operates the Islamic Republic News Agency (IRNA) and publishes the newspaper, *Iran*. In 1934, Iran established the IRNA as the "Pars Agency," but in December 1981, the Islamic Consultative Assembly (*Majlis*) changed its title to the IRNA. The IRNA's professional activities exhibit a bias to help promote Iranian national interests. Generally speaking, all other news agencies exist as Iranian Government representatives.

#### PRINTED MEDIA

After the election of mildly reformist politicians in the late 1990s, the privately owned Iranian print media began to flourish. Since the return of the conservatives to power, the Iranian Government aggressively instituted state censorship that banned many reformist newspapers and their employees from the field.<sup>6</sup>

## **Newspapers**

The most popular Iranian Government controlled or produced newspapers include:

- Jame-Jam, Tehran (Persian)
- Iran, Tehran (Persian)
- *Kayhan*, Tehran (Persian and English)
- Tehran Times, Tehran (Persian)
- Khabar e Janoob, Shiraz (Persian)<sup>7</sup>

#### **Periodicals**

The more popular Iranian Government controlled or produced periodicals include the following which cover a wide variety of subjects. Like newspapers, the Iranian Government aggressively monitors the periodicals for "Western" or "anti-Iranian" views.

- Daneshman-Scientific
- Irana Esperantisto-Culture/Published in Esperanto and Persian
- Gozaresh-Computer/Scientific
- Azari-Culture/published in Persian and Azari
- Film-Film reviews

#### BROADCAST MEDIA

The Iranian state maintains a robust broadcast media apparatus that can reach the entire nation with television and radio communication. The Iranian Government directly controls all broadcast media and promotes the Islamic Republic's interest. As a consequence, Iranian citizens use satellite TV receivers to receive broadcasts from outside Iran. Iranian authorities periodically attempt to interdict satellite TV by jamming signals or outlawing and confiscating satellite receivers and dishes.

## **Television**

The Iranian Government maintains broadcast control over all television content aired in Iran. A highly popular media, the BBC estimates that television reaches almost 80% of Iranian households. The following channels serve the major broadcast outlets:

- **Channel 1** serves as the "national channel," with a mixture of news and entertainment according to the Islamic Republic of Iran Broadcasting (IRIB).
- Channel 2 operates as another national channel with content similar to Channel 1.
- Channel 3 functions as the youth channel and airs much of Iran's sports programs.
- **Tehran TV** operates as a local Tehran station with content that closely resembles Channels 1 and 2.
- IRINN (Islamic Republic of Iran News Network) acts as the IRIB's main domestic news channel.
- **Jame Jam 1 (IRIB 1)** airs as a channel dedicated to the Iranian European Diaspora with content geared toward Iran's past.<sup>9</sup>

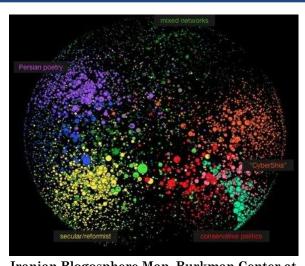
#### Radio

The Iranian Government controls all radio broadcasts that originate in Iran. In December 2002, the US-funded Radio Farda (meaning "Tomorrow") began regular broadcasts in Farsi on short-wave, medium-wave, and satellite. Major Iranian controlled radio stations include:

- IRNA News, Iranian Government
- IRIB World Service, Tehran multiple languages
- IRIB1, Islamic Republic of Iran Broadcasting
- IRIB Channel 2 Full Service, Tehran
- Dari Radio Tehran News in Dari, Persian
- Hamedan Radio Hamedan, News/Talk
- Radio Efsha, Persian Freethought Radio
- IRIB Channel 1, Tehran News/Features
- IRIB News TV, Tehran TV Live Broadcast
- IRIB Radio Fahrang, Tehran Culture
- IRIB Radio Javan, Tehran Youth Programming
- IRIB Radio Payam, Tehran News
- Kerman Radio, Kerman News/Talk

## Internet

By 2009, the Telecommunications Company of Iran (TCI) estimated that Iran would possess 25 million Internet users. In 2005, 12 major certified Internet service providers (ISPs) operated in Iran. The TCI states that Internet use rapidly expanded from an estimated 250,000 users in 1999 to 7,500,000 Internet users by December 2005, 10.8% of the Iranian population. The World Bank economic indicator studies suggest about one-third of Iranians use the Internet. Iranian Internet usage growth appears as among the fastest, if not the fastest, in the Middle East.



Iranian Blogosphere Map, Burkman Center at Harvard University, 2009

Despite TCI control of all Internet service backbones (packet-switching and bandwidth) in Iran, the Iranian Government still finds it a challenge to control Internet information. The Internet now serves as the main forum for dissident voices in Iran because of the Internet's decentralized nature and the location of most of the infrastructure outside Iran's borders. The Reform Movement that began in the wake of the 2009 Iranian presidential elections increased the importance, content, and quantity of Internet blogs.

The Iranian Government responded to the proliferation of Internet antigovernment messages with adoption one of the most sophisticated Internet censorship systems in the world. Officially, the Iranian Government introduced Internet filters to block perceived pornographic or immoral material. In practice, the Iranian Government clearly attempts to block sites with political content as they limit access and identify those who make posts. The Information Technology Network director, General Esmail Radakani, claims that Iran blocks 90% of the more than 10 million sites for "immoral" reasons. The Iranian Government made broadband Internet connections for home users illegal to prevent users from downloading Western cultural products like music and films. Many



Iranian Reform Movement Spreads a multilingual message, 2009

external reports assert that the Iranian government bans many times the number of Internet sites than stated by official estimates.

Proxy services, usually hosted abroad, responded to the attempted bands as a means for many Iranians to circumvent Iranian Government Internet information control. Thus, a race continues between the Iranian Government and activists as the activists attempt to create and disseminate usable proxy addresses before the Iranian Government can detect them and add them to the filter. <sup>11</sup>

Due to its technological nature, the Internet lends itself to a more educated and urban population. Since the educated, young, urban population comprises the Reform Movement's core, the Internet serves as a practical method to generate support and communicate between themselves, Iranian expatriates, and Western sympathizers. The Reform Movement crafted simple, but effective English messages to speed dissemination to Western media outlets and non-Farsi speaking supporters abroad.

The Reform Movement also distanced itself from any foreign government or the idea of change to the current Islamic Republic's political structure. Instead, the Reform Movement focused on electoral irregularities. Some analysts suggest that the Reform Movement prefers no association with movements that appear either antireligious or antigovernment.

The Iranian Government controls several internal Iranian websites. These include:

- Afarinesh Daily
- Aftabyyazd [Persian & English]
- Iran Government
- Iran News [English]
- Kayhan
- Nimrooz
- Nowrooz
- President's News
- Resalat
- Tehran Times
- Pars News

http://www.afarineshdaily.com/

http://www.aftabyazd.com/

http://www.president.ir/eng/government

http://www.iran-news.com/

http://www.kayhannews.com/

http://www.nimrooz.com/pdf/index.html

http://www.nowrooz.net/

http://www.president.ir/eng/

http://www.resalat-news.com/daily.htm

http://www.tehrantimes.com/

http://www.parsnews.com

#### TELECOMMUNICATION

Iran's modern telecommunications began under the Shah in 1971, but increased exponentially since 1997. The Iranian Government, under both the Shah and Islamic Republic, ran the TCI as the national telecommunications monopoly. Like many other former state enterprises, the Iranian Government planned to privatize the TCI. In September 2009, the IRGC used a government subsidy to purchase control of the TCI through a shell company, Mobin.<sup>12</sup>

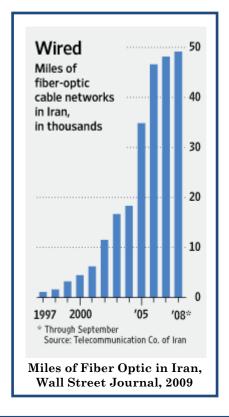
Currently, Iranian telecommunications operates with a combination of landlines (increasingly fiber optic since 1984 with digital switching since 1989) and mobile services (messaging is popular). As of 2010, the CIA estimated Iran operates about 25 million landlines and almost 43 million mobile lines. Foreign operators plan to provide Third Generation (3G) mobile services, but capital and foreign control issues shifted the new network's ownership and construction responsibility to various Iranian Government agencies.

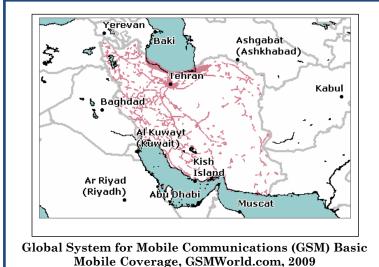
Internationally, the domestic telecommunications network

connects to international telecom networks via satellite links (INMARSAT and INTELSAT), highfrequency (HF) radio, and fiber optic cable.<sup>14</sup>

The TCI, from their outset in 1971, assumed responsibility for all Iranian telecommunication affairs, and Iran Telecommunication Industries (ITI) began the same year to manufacture the network's required national long-distance equipment.

After the 1979 Revolution, the 1980s Iran-Iraq War impeded the telecommunication network's development. After the first fiber optic cable





operational testing at the Iranian Telecommunications Research Center (ITRC) in 1984, the government began construction of the Shahid Ghandi Telecommunication Cable Manufacturing Company in Yazd the next year; it became operational in 1989. In 1988, Iran connected its first long-distance coaxial cable link between Tehran and Shiraz, and one year later commissioned the first digital switching center with the long-distance optical fiber optic link between Tehran and Karaj.

In 1991, the first INMARSAT Coastal Earth Station started operations in Iran that provided satellite communications services. At the same time, Iran commissioned the Data Communication Company as the main entity for planning, operation, and development of data networks and value-added services. In 1992, the Scientific and Applied Telecommunication College established satellite campuses at most other universities.

In 1993, the TCI commissioned the first VSAT terminals and opened digital switching centers in eight of Iran's largest cities. In 1994, the TCI practically doubled its Tehran local telephone network to 1,945,000 lines and established the Tehran cellular network. In 1995, the Islamic Consultative Assembly ratified articles of association for the provincial telecommunication companies, and these companies started their operations the next year to provide telecommunications to areas outside the largest urban centers.

The TCI or its subsidiaries control most Iranian telecommunications services. Between 1995 and 2003, Iranian telephone landlines increased from 86 to 146 per 1,000 people, and by 2005 Iran possessed nearly 19 million active landlines. Since the mid-1990s, through heavy state investment, Iran launched a program that aimed at the improvement and expansion of telecommunications to urban areas and reached rural areas that lacked telephone service.

By 2005, the US Government estimated that 8.5 million Iranians enjoyed mobile telephone service operated through one heavily-congested mobile network that maintained a long waiting list. In 2005, the Iranian parliament forced the Turkish company, Turkcell, to withdraw from a potential mobile phone consortium. The failed business deal damaged Iranian-Turkish relations despite Iran's need for another network. In late 2005, South Africa's Mobile Telephones Network of South Africa then accepted Iran's stringent licensing conditions and replaced Turkcell in the mobile phone consortium.

Additionally, Iran also embarked on a homegrown satellite program to improve its communications network. In February 2009, the Iranians used a Safir 2 space launch vehicle (SLV), which weighed about 60 pounds to place a first generation Omid Communications satellite into orbit. Iran, however, can use the Omid for communication or possibly intelligence purposes. Significantly, the launch validated the Safir SLV as a ballistic missile rocket and critically impacts the possibility of a change in the Middle East balance of power. (Data on the Iranian Telecommunications Sector can be found in Annex E.)

#### **INFOWAR**

The Iranian Government and military consider INFOWAR as a core competency for their organizations. Iran integrates INFOWAR at the tactical, operational, and strategic levels. Iran remains cognizant of its growing conventional weakness in comparison to the US, and plans to mitigate their deficiencies with a national defense strategy based upon unconventional tactics, techniques, and procedures (TTP). If Iran uses INFOWAR as a critical element to simultaneously rally the population against external threats and support the Islamic Republic; to marginalize internal dissent; and to deter, dissuade, and defeat external actors that might attack Iran. Iran involves itself heavily in all INFOWAR tools, with an emphasis on perception management, deception, computer attack, and information attack. Iran repeatedly demonstrates the ability to leverage minimal (compared to the US) investment for vast strategic effect.

Traditionally, Iran attempts to craft a complete anti-Western, Revolutionary Islam message for both external and internal consumption. The Iranian Government uses local proxies to downplay the "Persian" and Shia origins of their message in non-Shia countries as Iran consistently supports the Iranian Revolution's message throughout the world that "Islam is the Answer" to the Muslim world's problems. This idea of the value of Revolutionary Islam itself remains an Iranian Islamic Republic tenet. Internally, this coincidental message espouses that Shia Islam and the Iranian Islamic Republic serve as the primary Shia Islam defender. The Iranian Government consistently references the Martyrdom of Hussein, a prime element of Shia, to rally populous support from the rural, religiously conservative Shia. Additionally, INFOWAR messages conflate perceived threats (such as Western cultural imperialism/pollution) to the Islamic Republic as a threat against Iran itself. This rallying cry to defend the Iranian nation resonates with the populace at all levels of Iranian society. 17

Recently, Iran took its Revolutionary Islamic/anti-Western message on the road internationally as Iran attempted to coalesce the message with a generalized anti-American platform with such nations as Venezuela and Syria. Iran used a combination of economic policies and broad-tent anti-American "imperialism" messages in anti-US or neutral countries to achieve political victories, such as to delay the UN Security Council from action against the Iranian nuclear program.

Iranian military forces focus on deception as a key defensive element as Basij, IRGC, and Artesh units used a variety of uniforms to deceive the enemy, prevent specific targeting of special units, and make it difficult to provide attribution for some actions. For example, some Iranian military units wear the US Army Combat Uniform (ACU) pattern clothing, British style camouflage, or carry M-16 clone weapons. Iranian proxy forces, most notably Lebanese Hezbollah (LH), demonstrate the ability to engineer a variety of fake bunkers, fighting positions, and firing pits—complete with antennas and other realistic accoutrements. In the January 2007 Karbala, Iraq Provincial Headquarters raid, Iranian-affiliated Shia militants attempted to capture US Soldiers by a number of deception elements that included US vehicles, use of English, and US weapons (M4s) to breach US security procedures. Future Iranian combat operations will likely use similar TTPs.

Iranian forces continue to aggressively expand into computer attacks to defeat both the Reform Movement's dependence on the Internet and the perceived information operations (IO) superiority of probable enemies like the US. With Western estimates of a budget of roughly \$76 million and a full-time staff of over 2,400, the Iranians possess a number of computer warfare weapons like electromagnetic pulse weapons (non-nuclear), compromised counterfeit computer software, wireless data communications jammers, computer viruses and worms, cyber data collection exploitation devices, computer and network reconnaissance tools, and embedded Trojan time bombs.<sup>20</sup>

Due to the traditional weakness and lack of success demonstrated by Middle East militaries against Western-style militaries in modern combat, Iran will attempt to focus greater efforts in the burgeoning INFOWAR arena as part of their overall unconventional warfare emphasis.

#### INTELLIGENCE

Iran possesses sophisticated human intelligence (HUMINT), open source intelligence (OSINT), and signal intelligence (SIGINT) programs. Analysts believe that the Iranians use commercial off-the-shelf satellite imagery and UAS (unmanned aerial systems) for imagery intelligence (IMINT), along with Iranian-produced measurement and signature intelligence (MASINT). It remains probable that the Iranian IMINT and MASINT programs continue to operate at a lower development than Iran's sophisticated and globally capable HUMINT, OSINT, and SIGINT programs.

Iran operates a large, operationally diverse, and highly experienced intelligence organization. Recently, the IRGC shifted more of the intelligence portfolio under its control from the Intelligence Ministry of Islamic Republic of Iran (known variously as *Vezarat-e Ettela'at Jomhuri-e Eslami*, or the acronyms MOIS or VEVAK).<sup>21</sup> Traditionally, Iranian intelligence operations focused on support to terrorist proxies such as LH; direct attacks on American, Israeli Government, and Jewish targets; and suppression of internal and external political dissent and separatists.

#### HUMINT

Iran organizes its HUMINT programs into four primary categories: collection and influence operations, support to foreign militant elements, support to friendly foreign countries, and direct action. Organizationally, the IRGC Quds (Jerusalem) Force, along with its associated Intelligence units, operates as the primary offensive HUMINT asset, especially now that the MOIS has reportedly lost its previously independent status.<sup>22</sup>

Iranian influence operations occur throughout the Muslim world, but the Iranians attempt to play down the "Persian" and "Shia" origins of their revolutionary message. Additionally, the Iranian intelligence services use the vast web of interconnected economic, familial, and religious connections (such as the graduates of Iranian religious institutions) for collection and influence efforts. Most

likely, Iranian HUMINT operations focus on technology acquisition/sanction circumvention.

Iran possesses a large fleet of American-built equipment. Much of this equipment, like the Iranian F-14, F-4, and F-5 fleets TOW ormissiles, represents a major component of Iranian conventional combat power. Thus, the sustainment efforts for weapons systems or the acquisition of technology to increase the capabilities of Iranian forces probably remains a prime HUMINT effort.23 With UN sanctions focused on the limitation of external support to Iranian intelligence and nuclear programs, it remains likely that the IRGC engages in of circumvention these sanctions, and desires access to dual-use technology and the international finance network.24 As a result of Iranian intelligence operations, many IRGC officers and IRGC associated business under organizations remain

- 1) Imam Ali Training Garrison, Tajrish Square, Tehran
- 2) Bahonar Garrison, Chalous Street, close to the dam of Karaj
- 3) Qom's Ali-Abad Garrison, Tehran-Qom highway
- 4) Mostafa Khomeini Garrison, Eshrat-Abad District, Tehran,
- 5) Crate Camp Garrison, 40 kilometers from the Ahwaz-Mahshar highway
- 6) Fateh Qani-Hosseini Garrison, between Tehran and Qom
- 7) Qayour Asli Garrison, 30 kilometers from Ahwaz-

Khorramshahr highway

- 8) Abouzar Garrison, Qaleh-Shahin District, Ahwaz, Khuzestan Province
- 9) Hezbollah Garrison, Varamin, east of Tehran
- 10) Eezeh Training Garrison
- 11) Amir-ol-Momenin Garrison, Ban-Roushan, Ilam Province
- 12) Kothar Training Garrison, Dezful Street, Shoushtar, Khuzestan Province
- 13) Imam Sadeg Garrison, Qom
- 14) Lavizan Training Centre, north-east Tehran
- 15) Abyek Training Centre, west of Tehran
- 16) Dervish Training Centre, 18 kilometers from the Ahwaz-Mahshar highway
- 17) Qazanchi Training Centre, Ravansar-Kermanshah-Kamyaran tri-junction
- 18) Beit-ol-Mogaddas University, Qom
- 19) Navab Safavi School, Ahwaz
- 20) Nahavand Training Centre, 45 kilometers from Nahavand, western Iran

## OSINT Reported IRGC Training Centers for Foreign Elements, IranFocus.com, 2006

UN and US Treasury sanctions that limit their access to international financial and business infrastructure. It is likely that Iranian HUMINT operations will continue to focus on work-arounds to these sanctions.

Iranian intelligence previously funded, trained, and enabled insurgent paramilitaries throughout the Middle East. Much of this support activity has been targeted against Coalition Forces in both OIF and OEF. Iranian intelligence and the IRGC developed and trained the LH in the early 1980s. The LH has provided a vital proxy for Iranian Government activities and an excellent training ground to validate Iranian combat TTP. Many reports indicate that IRGC personnel served as trainers in

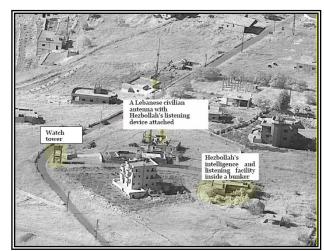
foreign countries, but it remains reasonable to assume the IRGC trainers also include an intelligence collection role. In addition to training native Iranians, a number of foreigners (primarily Shia Lebanese, Shia Iraqis, North Africans, Palestinians, and Shia Gulf Arabs) have been trained and operationally attached to the IRGC. This increases the IRGC's HUMINT capabilities.<sup>25</sup> The IRGC favors the LH as a "cut out," or operational proxy, for Iranian operations. It remains unlikely that any third party like LH will operate without the consent of Iranian intelligence services, and only if its action furthers Iranian objectives.

The US Treasury Department implicated the Iranian intelligence services for counterfeiting

activities, especially against the US. It is presumed that Iran uses such counterfeiting operations to fund its activities and as a means of economic warfare against the US and its allies.<sup>26</sup>

## **OSINT**

intelligence Iranian continues increase its OSINT operations. With Internet, publically available translation software, and enabling technologies, the intelligence harvest available to foreign intelligence remains organizations practically limitless. In 2008, the IRGC announced the creation of "Technological Basij," or a corps of technically savvy collectors and analysts that collect and exploit OSINT. In March 2009, "sensitive"



Lebanese Hezbollah SIGINT Post, TRISA Hezbollah TTP Handbook 17, March 2007

blueprints that pertained to the VH-60N US Presidential Helicopter found their way to a Tehran-based P2P host.<sup>27</sup> While it remains unclear if this incident resulted from happenstance or evidence of a sophisticated Iranian operation, it illustrates the depth of Iranian technical capability and the potential value of Internet-driven OSINT operations.

#### SIGINT

Iranian SIGINT programs consistently demonstrate the ability to achieve success in combat against Western communications systems, especially units that demonstrate poor OPSEC.<sup>28</sup> In any case, Western countries can expect Iranian SIGINT to provide the Iranian military and IRGC with useable intelligence of indication and warning, capabilities assessment, and targeting. Most Iranian SIGINT operators possess significant "real world" experience and significant language capabilities in all the languages of the CENTCOM area of operations. In the 2006 Israel-Lebanon war, the combined LH/Iranian all-source intelligence effort in action against the Israelis provided the tactical disposition, order of battle, and tactical warning to LH units.<sup>29</sup> Additionally, Iran cooperates extensively with Syria in SIGINT operations.<sup>30</sup>

#### IMINT

Iranian IMINT operations probably remain limited to UAS and other air-breathing platforms, such as fixed and rotary wing aircraft. With continued Iranian space program expansion, however, Iran will eventually field a satellite IMINT capability.

#### MASINT

Iran probably maintains a basic MASINT capability. Little, however, can be found in open source references about MASINT.

#### **ORGANIZATION**

Reportedly, Iran also fields a variety of other intelligence and counterintelligence organizations. Iranian Military Intelligence generally concerns itself with tactical intelligence and the reliability of military personnel. The Iranian Government tasks the little known organization, Oghab-2, to secure the Iranian nuclear program. Recent reports indicate that the Iranian military may increase the Oghab-2 to 10,000 personnel. It is difficult to determine if the Oghab-2 serves as a stand-alone organization or operates under the IRGC, as most Oghab-2 commanders possess ties to the IRGC.

Iran maintains a capable intelligence apparatus ideologically committed to the Islamic Republic that serves as the hub for most Iranian foreign activities. While Iranian intelligence lacks some of the more technologically advanced capabilities of their potential adversaries, Iranian intelligence can serve, both at home and abroad, the Iranian Government's requirements with regard to regime protection, foreign intentions, and direct action.

## Summary

The Iranian information environment's complexity, combined with the Iranian Government's historically effective information and intelligence operations, makes this a highly complicated and dynamic environment. No foreign country should underestimate Iran's information capabilities and intentions. Iran possesses a growing information infrastructure and a generally literate population that craves information. Iran's information control, through both censorship and infrastructure physical control, will make it likely that, domestically, the information environment will favor the Iranian Government.

Iran will likely increase its unconventional combat power with emphasis on offensive and defensive INFOWAR, along with aggressive and capable intelligence forces.

Operations in Iran will require engagement along the entire breadth of information modalities, from word of mouth to the latest Internet-enabled applications. As state-of-art modalities like satellite TV, broadband Internet, and mobile communications achieve greater penetration into Iranian society, IO in Iran will require a highly-developed knowledge of Iranian society, history, and culture. The current battle between the Reform Movement and the Iranian Government could quite possibly become the Falklands War of the Information Age, as for the first time communications technology brings a large government to the brink of an internally-driven regime change.

The Iranian Government will continue to attempt to control and defeat information communications technologies to deny or exploit the Reform Movement's primary external communications mechanism. The Iranian Government will likely use the Basij forces to collect data, analyze intelligence, and fight in cyberspace. These forces will likely operate as "Internet irregulars," capable of supporting a wide variety of law enforcement, military, and intelligence operations.

The IRGC will continue to centralize the Iranian Intelligence Forces under their control. These forces will attempt to target and defeat the Reform Movement, support the Iranian military's modernization (including that of Iranian nuclear capabilities) and target Iran's external enemies.

# Annex E

Chart 1: Telecommunications Data of Iran

а .	0000	2000	2007	2000		
Service	2000	2006	2007	2009		
Facility						
Fixed Line	9,486,260	22,626,944	23,585,125	24,988,183		
Activation	-,,	,,,		21,000,100		
Connected	28,062	51,058	52,563	53,850		
villages	20,002	01,000	92,909	55,050		
Fixed Line						
Penetration	14.9	32.57	33.06	34.09		
Rate						
Mobile						
Subscriber	962,595	15,385,289	21,545,510	32,292,513		
activation						
Mobile						
Subscriber		22.22	20.1			
Penetration	1.51	22.20	30.1	44		
rate						
Transmission						
Channels	405,997	1,371,712	1,758,142	2,792,316		
International						
Channels	8,483	11,226	12,970	15,485		
Public phone						
booths (local)	84,971	167,366	177,753	227,456		
Public phone						
_	11 010	90.400	119 400	175 401		
booths (long	11,813	89,460	113,499	175,401		
distance						
Cities with	205	1.010	1.010	1050		
Mobile	337	1,016	1,016	1076		
Coverage						
Areas with	2,962	6,280	6,280	6,280		
Long Distance	_,00_	0,200	0,200	0,200		
Data	129	942	1,086	1,223		
Transmission	120	012	1,000	1,220		
International						
Band Width	-	3,726	9,626	26,728		
(mbps)						
Fiber Optic	7.005	75.000	77 500	107.000		
Cable (km)	7,205	75,000	77,500	127,000		
Rural ICT		0.00	0.000	0.070		
offices	-	2,287	3,668	8,958		
	Telecommunications Data for Iran, Telecommunications Company of Iran, 2009					

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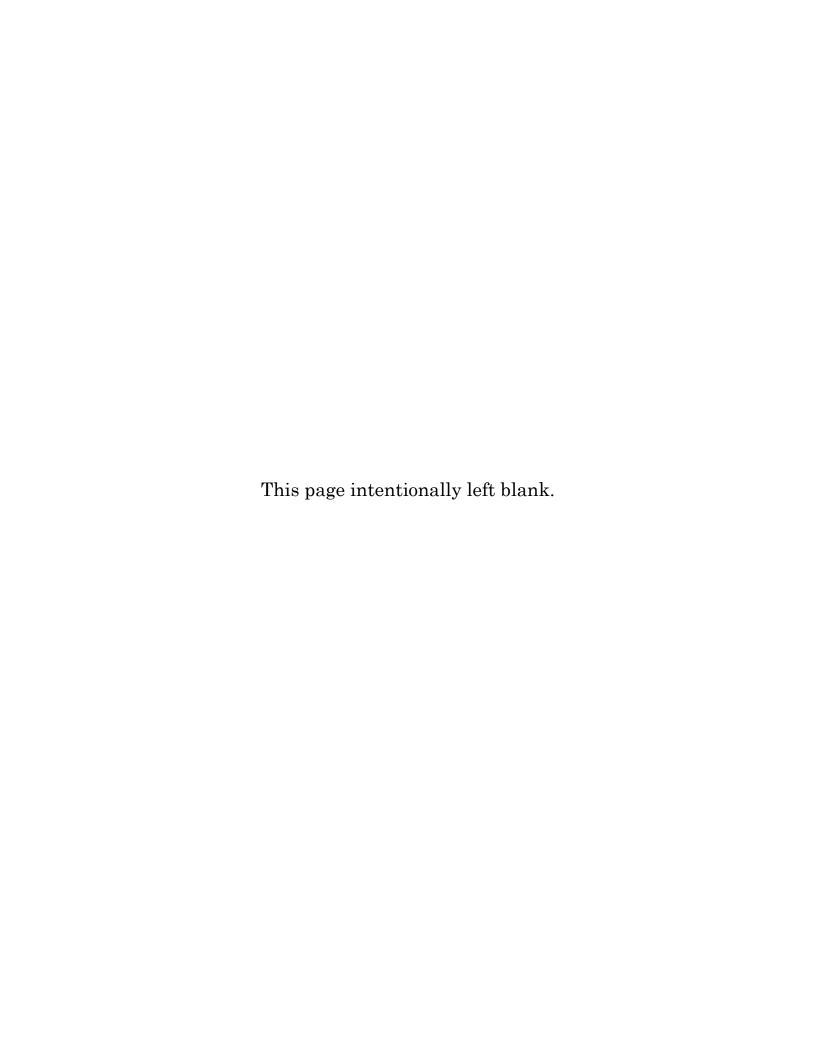
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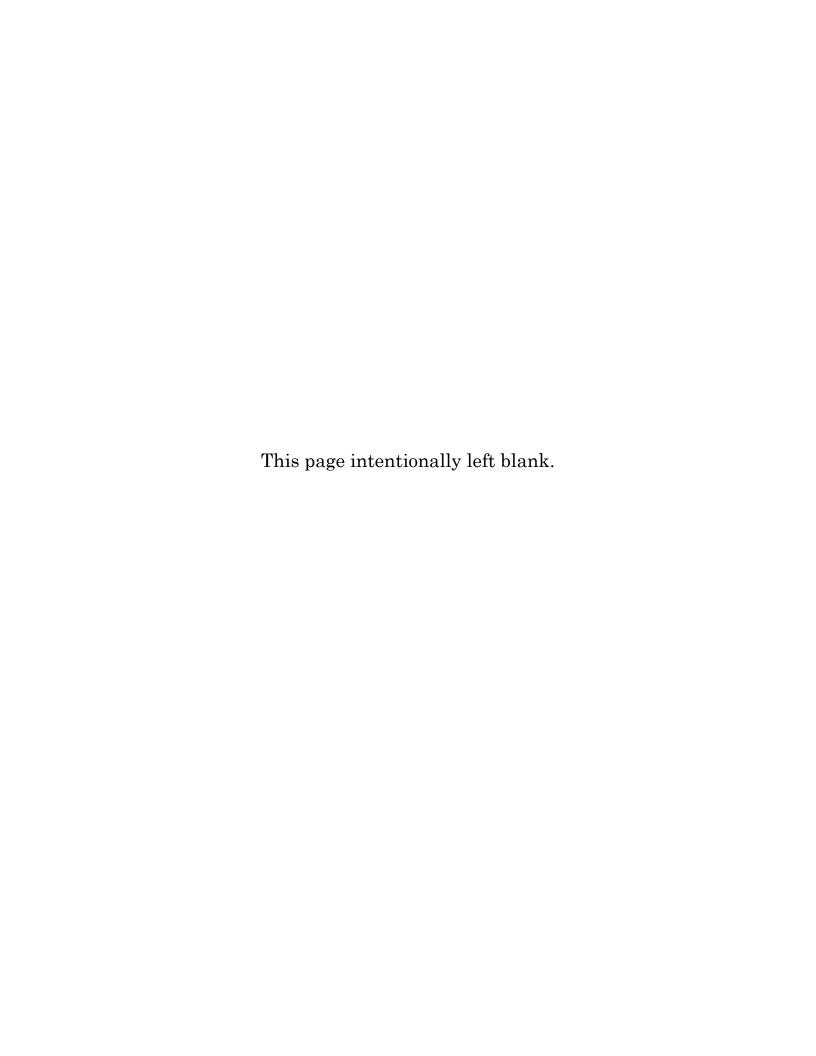
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# INFRASTRUCTURE



## Infrastructure

Infrastructure is composed of the basic facilities, services, and installations needed for the functioning of a community or society. The degradation or destruction of infrastructure will affect the entire OE, especially the political, military, economic, social, and information systems. The infrastructure variable analyzes the technological sophistication of a given OE in terms of sectors of technological success or advancement, scientific and research institutions, technology acquisition policies, and education and training facilities that support the acquisition of technology, both domestically and through foreign sources.

#### KEY FACTS:

- Iran's oil and natural gas exports produce most of its total national revenues.
- The Nuclear Weapons Program and oil/natural gas programs constitute Iran's primary national infrastructure programs.
- Pollution creates a major issue for Iran, especially in Tehran and on the northern and southern coastlines.
- Iran owns the world's third largest oil reserves, but mismanagement has damaged several of the oil fields.

#### OPERATIONAL IMPACTS OF THE INFRASTRUCTURE VARIABLE IN THE OE:

- As one of the world's most arid countries, Iran will always face major water management challenges.
- The petroleum industry continues to become increasingly inefficient due to lack of basic capital investment.
- Most oil fields require modernization as the Iranian oil industry uses a patchwork of decades old extraction technology from various countries.
- Due to their lack of refinery capacity and Iranian government subsidization of gasoline, Iran ranks as the world's second largest gasoline importer, after the US.
- Pollution will continue to cause severe health issues in urban areas and in towns along the coastlines.

#### INFRASTRUCTURE OVERVIEW:

The Iranian infrastructure is a patchwork quilt composed of a mixture of modernization and obsolescence. While the Shah targeted the infrastructure for significant investment, the Iranian infrastructure now faces significant challenges from the stresses of both war and peace. While marginally adequate rail, road, air, and seaports exist, the natural gas and oil infrastructure exhibits archaic construction. Environmental and population pressures on aquifers, along with the significant levels of pollution, create significant stress on water and other natural resources.

#### CONSTRUCTION PATTERN

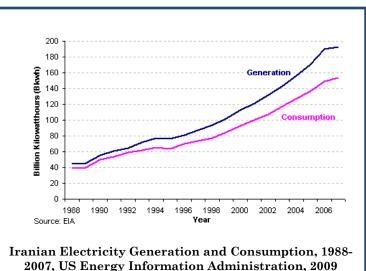
Construction patterns throughout Iran exhibit similar composition. Urban areas exhibit building construction similar to Western countries, but very rural areas use the same construction techniques, like mud brick, that residents built for hundreds, if not thousands, of years.

Since about 2005, increased oil revenues and urbanization created a demand for new business and personal housing construction. Much of this construction occurs in urban areas, such as Tehran, which increases the stress on other urban infrastructure entities like power and water.

## **UTILITIES**

#### POWER

Iranian population growth, inadequate power distribution investment, outdated infrastructure, and waste place significant demands on Iran's electrical grid. Iran currently produces 90% of its power from oil-fired generation plants (as expected with its oil reserves); the Iranians are currently pursuing aggressive construction program for hydroelectric dams and nuclear power plants. The Iranian Government continues to emphasize electricity for development. According to US Government sources, "In 2007, Iran generated 170 billion kilowatt hours (Bkwh), and consumed 153 Bkwh." Iran exports electricity to Armenia, Pakistan, Turkey, Iraq, and Afghanistan, and



an,

imports electricity from Azerbaijan and Armenia.

#### WATER

Despite Iran's population increases that place additional pressure on water delivery systems, Iran successfully increased water distribution into urban areas where the majority of Iranians reside. In rural areas, water distribution infrastructure appears obsolete, inadequate, or nonexistent.<sup>2</sup> The Iranian geography creates a dichotomy where water resources display extreme seasonal variance in water flow, variances among regions (from bone-dry deserts of the West and South, to the lush mountain valleys along the Caspian), and even differences within regions. These challenges create distribution issues that require significant engineering investment with dams, pipelines, and reservoirs. Deep wells also serve as an important part of the water distribution network, especially in rural areas.<sup>3</sup>

## SEWAGE

While moderately capable sewage systems exist in larger metropolitan areas, many Iranian rural areas contain outdated, inadequate, or nonexistent sewage systems. In many locations—to include urban areas—households and industries discharge untreated sewage through rainwater systems. In rural areas, sanitary facilities often consist of pit latrines or other very basic systems. Urban areas usually possess more modern facilities. With the exception of Tehran, where separate water and sewer departments exist, a single local government entity that reports to national authorities handles both water and sewage.<sup>4</sup>

#### TRANSPORTATION ARCHITECTURE

## ROAD

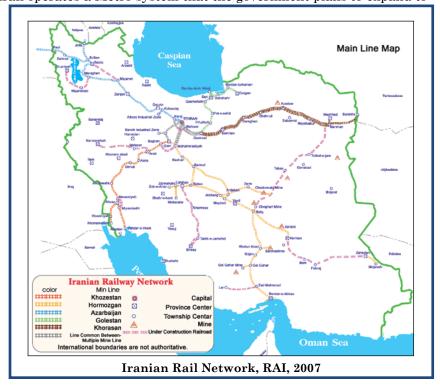
The Iranian road network consists of two major national highways, called the A1 and the A2. The A1 stretches from the Turkish border, through Tehran, to Afghanistan. The A1 covers just over 2,000 km and is generally kept in good condition throughout its entire length. The A2 extends from the Iraqi border to the Pakistani border along the southern part of Iran. Numerous other freeways and roads connect cities or run within major cities like Tehran.<sup>5</sup> Heavy traffic occurs on most roads with about every road considered dangerous due to the Iranians' reckless driving habits, poor design, substandard road conditions, and poorly maintained older cars.<sup>6</sup>

#### RAIL

The Republic of Iran Railways controls and operates the country's rail network. Iran plans significant domestic railway expansion with connections scheduled for Afghanistan, Central Asia, Iraq, Turkey, and Pakistan. Tehran operates a Metro system that the government plans to expand to

meet the capital's transportation demands that currently stagger under heavy vehicle traffic and pollution above ground.

Despite the geographic issues that face rail infrastructure in a mountainous nation like Iran, the International Union of Railways estimates that Iranian rail accounts for 4% of domestic passenger traffic and over 7% of domestic freight traffic. The Iranian Government plans accelerate growth on certain rail segments, and the Iranian reported in 2008 an expected annual growth of 10%. The Iranian Government committed 17 billion euro to modernize the country's rolling stock, engines, and rail lines.7



Iranian rail consists primarily of standard gauge 1,435 mm (4 feet,  $8\frac{1}{2}$  inch) track even though broad gauge (Russian) links with former Soviet states exist. Most Iranian locomotives operate on diesel fuel, but some conversion to electric train lines continues to occur.

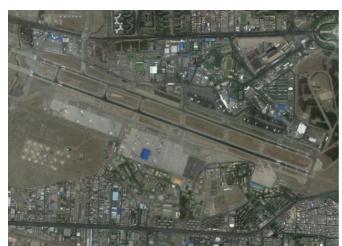
#### AIR

In addition to the airlines and airports that provide domestic service within Iran and international connections, Iran also possesses a number of large aircraft (C5/C17/B 747) capable airfields. These Iranian airlines often operate aircraft procured in the Shah-era or secondhand Russian and/or European passenger aircraft. Aircraft serviceability remains problematic due to Western sanctions

as the Iranian Government and airlines attempt to keep these archaic airplanes in the air. Air safety in Iran remains an issue due to the airplanes' age and maintenance conditions.<sup>8</sup>

Iran's major airports include:

- Tehran Imam Khomeini International, a new facility 48 km southwest of Tehran, opened in 2004. An IRGC subsidiary manages Imam Khomeini Airport, and it serves as the primary international gateway.<sup>9</sup>
- Tehran Mehrabad International within operates the greater Tehran metropolis on the west side of town. It traditionally served as Tehran's international hub, but has been replaced by the recently opened Imam Khomeini Airport. Mehrabad remains an important base for Iranian Air Force and IRGC Air Force operations.
- The Shiraz International Airport serves Shiraz, southern Iran's economic center.
- The Mashhad International Airport services the Shia holy city of Mashhad in extreme northeast Iran, a religious destination for



Tehran Mehrabad Airport, Tehran Iran, GoogleMaps, 2009

Iran, a religious destination for the global Shia population. Mashhad also holds the distinction as Iran's second largest city and lies close to the Turkmenistan and Afghanistan borders.

The four main Iranian airlines include Iran Air (the national flag carrier), Iran Aseman, Kish, and Mahan. All four airlines operate an eclectic fleet of American, European, and Russian origin aircraft that service a variety of European, Middle Eastern, and Asian destinations, along with providing domestic Iranian service. In wartime, Iran would likely use the domestic air fleets as an auxiliary air force.

#### SEA

Iran owns the largest tanker fleet within the Organization of Petroleum Exporting Countries (OPEC) cartel, a large merchant shipping fleet, and maintains ports on the Persian Gulf and the Straits of Hormuz. Also, a number off-shore oil and gas platforms exist linked to on-shore facilities through a highly complex series of pipelines. In addition to the off-shore platforms, facilities at Kharg, Lavan, and Sirri Islands maintain the jetties and other facilities to swap petroleum from ocean-going tankers (too large to use standard ports) to land-based pipelines.

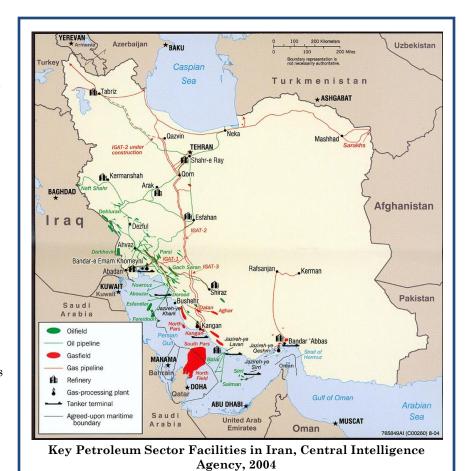
The Islamic Republic of Iran Shipping Lines (IRISL) claims 76 ships with deadweight tonnage (DWT) of over 3.5 million, and serves as the primary cargo (container/break bulk) shipping company Iran.

The National Iranian Tanker Company (NITC) is a subsidiary of the National Iranian Oil Company (NIOC) and maintains a large fleet of dedicated tanker ships.

Iran sustains a number of capable seaports along the Persian Gulf and Indian Ocean. The most important include:

Abadan: situated on the Shatt-al-Arab waterway adjacent to Iraq.

- Bandar-e Abbas: situated on the Strait of Hormuz; Bandar-e Abbas serves as a prime Iranian Navy and Naval IRGC base.
- Bandar-e Khomeini: situated east of Abadan on the northern Iranian coast of the Persian Gulf.
- Bandar-e Shahid Rajai: situated in close proximity to Bandar-e Abbas.
- Chabahar: situated on the Indian Ocean.
  Chabahar operates as Iran's primary Indian
  Ocean port. It works chiefly as a fisheries port and cargo transshipment point. As a cargo transshipment point, Chabahar integrates with the Iranian rail system.
- Kharg Island: an offshore island located off Bushehr, roughly half-



way between Abadan and Bandar-e Abbas; operates as a highly important site for the Iranian oil sector.

#### **PIPELINES**

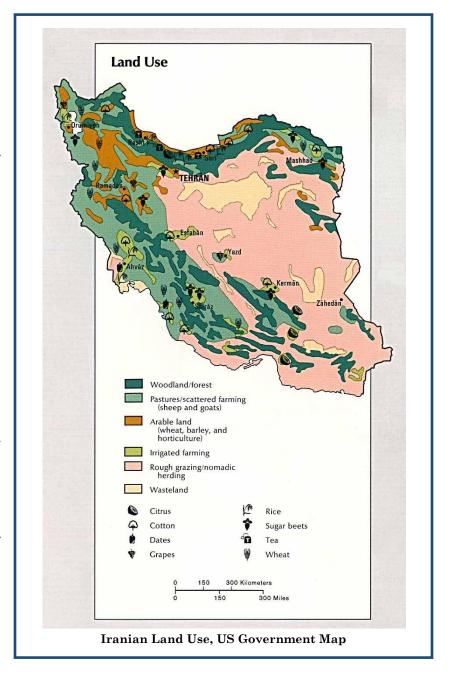
Iran maintains an extensive pipeline that connects with other nations, but also serves as an essential link internally to refining and export operations. Five major pipelines represent the backbone of the oil/gas movement system with connectivity points to the international distribution network. Crude oil swap points exist with Kazakhstan and Turkmenistan to export Iranian oil internationally while Iran consumes Kazakh or Turkman oil internally. Local pipelines move oil and gas from field production centers to refineries or transshipment points. <sup>10</sup>

#### AGRICULTURE

Most open sources describe one-third of Iranian land as arable, though issues with salinity, irrigation, and other related infrastructure actually mean that Iran only cultivates about 12%. Iran only irrigates one-third of productive farm land. As a recent Soil and Water Research Institute of Iran report stated:

Cereal crops (i.e. wheat. barley, and rice) cover almost 70% of the cultivated land, wheat alone covers nearly 52%. As to the permanent crops, the most important ones are, respectively, pistachio (354,000 ha), grapes (275,000)ha), dates (230,000)ha), citrus (230,000)ha) and apples (153,000 ha). The total production of annual crops is about 47.26million tons (MT), and that of the orchards is 11.25 MT. together, total annual production of agricultural crops amounts to 58.5 MT.<sup>11</sup>

Intensive land and water use throughout Iran creates significant stress as the salinity increases. The report also stated:



About 90% of this production comes from irrigated fields. This point is of prime importance because almost all of our agricultural salinity problems are confined to irrigated fields. In areas where we have our most serious salinity stress, we are most dependent on irrigation for crop production.<sup>12</sup>

#### POLLUTION

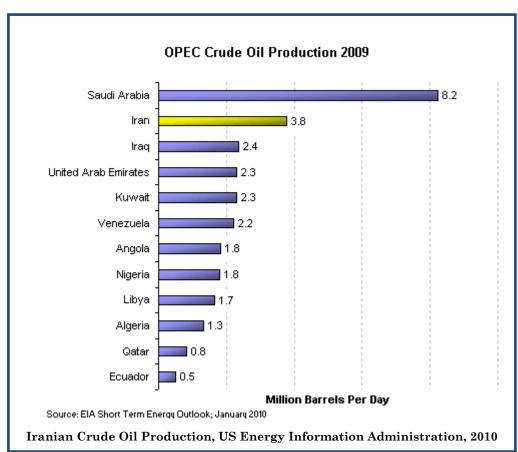
Iran faces considerable concerns regarding pollution from byproducts of industrialization, urbanization, and oil production. Due to vehicle air pollution, Tehran ranks as one of the most polluted cities in the world.

#### INDUSTRY

#### OIL/GAS

Despite its position as a global force in the world's oil and gas economy, uneven investment and a

lack of modern infrastructure hobbled the Iranian oil and gas industry. While Iran possesses some of the largest known oil and gas reserves in the world, it lacks ability to adequately refine the petroleum it produces. The NIOC operates as the world's second largest company, after Saudi Aramco, and maintains access to some of the world's proven largest The reserves. vast majority of Iranian oil and gas fields, indicated by the graph, lie in Iran's southwest coastal area. The NIOC operates massive organization that controls most, if all, not of Iran's important oil and gas



production and logistical support elements. The NIOC generates most of Iran's revenue. Iran currently only produces four million barrels per day (BPD) compared to the six million BPD achieved under the Shah because of a combination of the effects of damage from the Iran-Iraq War, a lack of infrastructure investment, and Western sanctions. <sup>13</sup> A refinery capacity shortage and high levels of domestic use (like gasoline) means that Iran functions as a net petroleum importer. Some consider Iran's lack of refining capability as a significant Achilles heel of the Iranian economy. The Iranian Government recently ear-marked \$15 billion US dollars for refinery modernization and development, but even this massive investment might not eliminate the Iranian refinery shortfall.

Major refineries in Iran include:

- Abadan (400,000 BPD capacity)
- Isfahan (265,000 BPD)
- Bandar-e Abbas (232,000 BPD)

- Tehran (225,000 BPD)
- Arak (150,000 BPD)
- Tabriz (112,000 BPD)

#### Minor refineries include:

- Kermanshah
- Shiraz
- Lavan Island

Iran plans additional refineries, modernization, or expansion for the following locations:

- Hormuz refinery in Bandar-e Abbas city
- Abadan

Iranian oil and gas exploitation capability will drive the Islamic Republic's economy for the indefinite future. Iranian authorities will need to continue to balance the requirements for reinvestment in oil and gas, with the need for the oil and gas to provide the financial security for the rest of the country's economy.

#### DEFENSE INDUSTRIES

In the last decade, Iran took significant steps to create a domestic arms and military equipment manufacturing capability. The Islamic Republic took great pains to demonstrate its ability to indigenously produce aircraft and other high profile items, and more importantly, Iran reversed engineered and produces Iranian versions of capable weapons such as the AH-1J Cobra helicopter gunship (referred to as the Panha 2091 by the Iranians) and the TOW missile antitank missile. The Iranians also attempted to provide depot and higher level maintenance for their aircraft through a variety of aviation companies; many owned by the Iranian Government or senior IRGC leaders.

The four important Iranian defense industries include:

- Defense Industries Organization: manufactures a wide range of ground and naval combat systems, from small arms to light naval combat systems<sup>14</sup>
- Iran Electronics Industries: produces radar, telecommunications, optics, electronic warfare, and other related systems; organizationally subordinate to the Defense Industries Organization<sup>15</sup>
- Iran Aviation Industries Organization: provides maintenance, component replacement, and overhaul for aircraft<sup>16</sup>
- Aerospace Industries Organization: concerned with the design, manufacturing, testing, and production of ballistic missiles and rockets

The Iranian Defense Industry has attempted to build an indigenous defense industry capable of simultaneously producing advanced equipment for its own forces, and exporting weapons abroad. While UN sanctions limited the Iranian ability to export weapons, Iranian engineers successfully developed sophisticated systems, such as battlefield radars and missile technology, for foreign sales and domestic use. The Iranian Shahab-3, developed with Russian, North Korean, and Chinese assistance, provides the Iranian leadership a capable intermediate range missile. Reportedly, Iranian engineers currently plan to attempt to reverse engineer Russian rocket motor designs to develop a 5,000 km ranged Intercontinental Ballistic Missile (ICBM), that could target most of Europe with a nuclear warhead.

## NUCLEAR

The Iranian Nuclear program began in the 1950s as a research and medical isotope oriented program under the Shah. With US support, the Shah intended to eventually mature the activities into a large nuclear power program. In the aftermath of the 1979 Revolution, however, the nuclear

program went dormant, with little activity in the midst of the eight-year Iran-Iraq War in the 1980s. In the early 1990s—with foreign technical assistance from Argentina,18 China.<sup>19</sup> Russia.20 nascent Germany—the Iranian Nuclear program blossomed from an almost abandoned and forgotten Imperial Iranian legacy to a prime element of Iran's internal and external political and military arenas.21 A variety of open source reporting suggests that a organization, shadowy FEDAT, (from the Farsi acronym "Department High Technology Applications") functions as the center of the Iranian nuclear program. Mohsen Fakhrizadeh, an IRGC officer



OSINT reporting of FEDAT HQ Tehran (Green highlight) by Times of London, image from Google Maps, 2009

and university lecturer, leads the FEDAT. FEDAT is the latest name for the Iranian clandestine nuclear weapons development program that Iranians internally refer to as the "Physics Research Center" or the "Organization for Planning of Special Supply."<sup>22</sup>

In 2002, the more troubling aspects of the Iranian nuclear program came to light with the public exposure of the Iranian nuclear facilities at Natanz (a uranium enrichment facility) and Arak (a

heavy water reactor), whose very characteristics indicated a significant nuclear weapons program.

## Iranian Nuclear Facilities

- The Natanz facility was designed to enrich uranium to levels suitable for weapons, and operates underground. Revealed publically the National Council by Resistance of Iran, an anti-regime group, review of publically available overhead imagery revealed extensive site construction over the last decade.23
- <u>The Arak Heavy Water Reactor</u> (also known as IR-40) operates a 40 mega-watt (MW) reactor that can produce plutonium.



Ahmadinejad strolls through the centrifuge field at Natanz, Iranian Official Photo, 2008.

With additional refining, the plutonium could serve as a prime component of an advanced implosion nuclear weapon.<sup>24</sup>

- The Qom Enrichment Facility operates in a hardened, underground facility only revealed to the international community by Western governments in 2009.<sup>25</sup>
- <u>Bushehr Reactor Facility</u> is currently under construction with Russian contractors and technical assistance; this facility will serve as Iran's first civilian nuclear power facility.<sup>26</sup>
- <u>Isfahan Research Reactor</u> operates as a Facility and Nuclear Technology Center. It is considered by analysts to be the heart of the Iranian Nuclear Weapons program and employs over 3,000 scientists.<sup>27</sup>
- <u>Tehran Research Reactor Facility</u> was provided by the US in 1968 under the "Atoms for Peace" program and operates out of Amirabad, a Tehran suburb. This facility serves as an
  - intellectual home for the scientists most likely involved in the nuclear power and weapons program.<sup>28</sup>
- Parchin Weapons Facility is a high explosive weapons and rocketry research and development center that, while the International Atomic Energy Agency (IAEA) inspection noted no obvious nuclear related activities there, the IAEA found machinery suited for nuclear weapons related tests.29
- <u>Darkhovin Power Plant:</u> The Iranian government expects the Darkhovin Plant to begin operations in 2016.<sup>30</sup>



The Iranians consistently state that their nuclear program's intent is for peaceful research, power, and medical use. The Iranians demonstrated desire, however, to master all parts of the fuel cycle. Their weapons related research and hardened, clandestine facilities (like Qom and Natanz) indicate the capability to make nuclear weapons on short notice.<sup>31</sup> Iranian nuclear weapons capability could potentially change the Middle Eastern geopolitical landscape.

#### SPACE

The Iranian government launched an ambitious national space program to significantly increase Iranian prestige and technical capability. The Iranian national space program will provide an internationally acceptable means that Iran can use to validate much of its long range missile technology if it produces space launch vehicles (SLVs).<sup>32</sup> Dual-use technology such as satellite-based communications, earth observation/remote sensing, and scientific experiments can also produce direct military spinoffs and applications.

The Iranian Space Agency, the government organization with the primary responsibility for space operations, maintains a variety of current operational and developmental launchers and payloads. The Safir-2 SLV serves as the Iranians' current primary operational launcher, with the potential ability (with the Safir-2 follow-ons) to put 300+ kilogram satellites into low earth orbit.<sup>33</sup> The Iranians have placed a variety of payloads in orbit that include first generation communications, photographic, and scientific missions.

It remains likely that the Iran will attempt to increase its booster rockets' throw weight as well as their satellites' capability and complexity.

## Summary

From the start of large scale infrastructure investment under the Shah, the Iranians continuously attempt to leverage their oil wealth to modernize their society. However, the 1979 Revolution, Iran-Iraq War, and the classic disparities between urban and rural life created a two-tier infrastructure situation between the modern urban and the undeveloped rural areas. While urban areas experience investment, and flagship sectors like oil and the nuclear program command attention and resources, the infrastructure of rural areas remains incomplete, obsolescent, or nonexistent. The Reform Movement could spin off an aggressive campaign to improve infrastructure in rural areas and ensure the rural populace's high levels of support for conservatives and the Islamic Republic.

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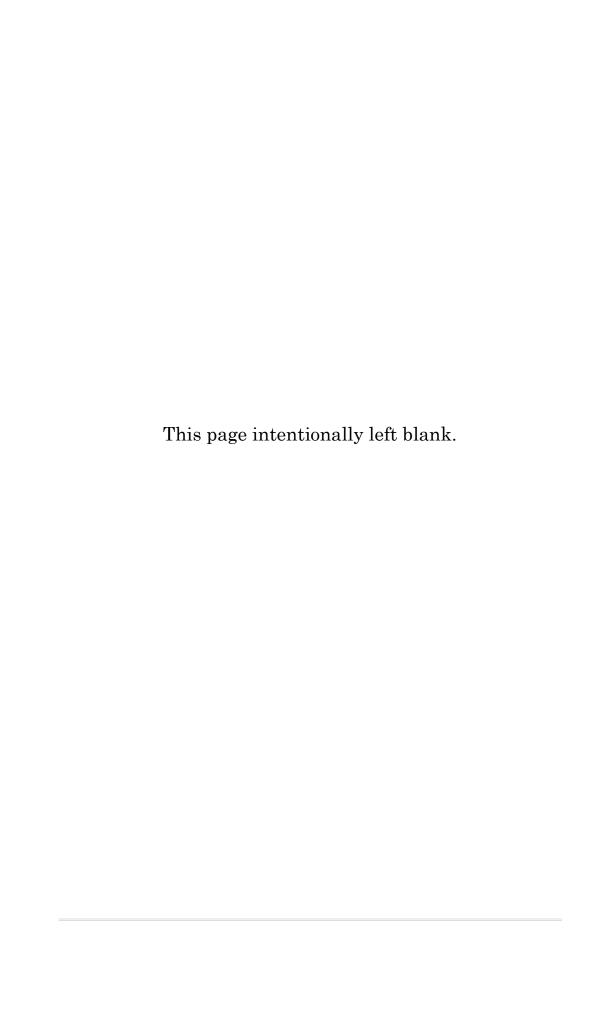
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## PHYSICAL ENVIRONMENT

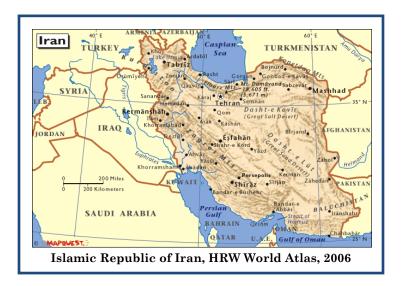


### Physical Environment

The physical environment variable includes the geography and man-made structures as well as the climate and weather in the area of operations. This variable defines the physical circumstances and conditions that influence the execution of operations throughout the domains of air, land, and sea.

"North Tehran backs up into the embrace of the Elburz Mountains, the most defining physical characteristic of the city. Bone dry and nearly devoid of vegetation in many parts, the Elburz are a living, breathing, shape-shifting presence...."

Modern Nation of the World: Iran, Cartlidge Cherese, 2002



### **KEY FACTS:**

- Iran is located in the Middle East between Iraq and Pakistan. It borders the Gulf of Oman, the Persian Gulf, and the Caspian Sea.
- Iran is slightly smaller than Alaska.
- Iran shares borders with seven countries: Afghanistan, Azerbaijan, Armenia, Iraq, Pakistan, Turkey, and Turkmenistan.
- Lake Urmia in Iran is the largest lake in the Middle East.
- Iran possesses massive oil and gas reserves in the southwest, along the Persian Gulf.
- The country plays a significant role in international politics because of its nuclear program, petroleum reserves, and influence in the region.

# OPERATIONAL IMPACTS OF THE PHYSICAL ENVIRONMENT VARIABLE IN THE OE:

 Mountain and desert cover more than half of the country. Mountainous terrain in the country will hinder vehicular travel.

- The hot and dry climate will be a distinct disadvantage to those who are not acclimatized. The heat and almost continuous sunshine can cause heat exhaustion and heat stroke.
- Natural disasters such as dust storms, sand storms, mirages, and earthquakes will impact all
  military operations in Iran.
- Protecting archeological sites and religious shrines is critical; tensions could erupt if sites are damaged.
- Iran is in a strategic location on the Persian Gulf and Strait of Hormuz. They are important maritime pathways for oil transport.<sup>1</sup>

### PHYSICAL ENVIRONMENT OVERVIEW:

Rugged mountain ranges separated by various plateaus dominate the Iranian physical environment. Iran's geography is comprised of mountainous terrain with deserts and small plains along the Caspian Sea and Arabian Gulf coasts. Most of the country surpasses 1,500 feet in elevation but only one-sixth of it is over 6,500 feet. A series of massive, heavily eroded mountain ranges surround Iran's high interior basin.<sup>2</sup>

### TERRAIN

Iran is a country of both mountains and deserts. A high plateau with vast sand deserts dominates Eastern Iran. High mountains include the Zagros and the Elburz Mountain Ranges that take over most of north-central, western, and southwestern parts of the country.

Iran's total land area encompasses 636,372 square miles.<sup>3</sup> It is located between two major depressions with the Caspian Sea to the north and the Persian Gulf to the south. The rocky terrain along most of Iran's borders extends well into the nation's interior, to make Iran one of the world's most mountainous countries. The topography is divided into three principal regions: the mountain ranges, the lowlands, and the Iranian Plateau (sometimes referred to as the Central Plateau).<sup>4</sup>

### The Mountain Ranges

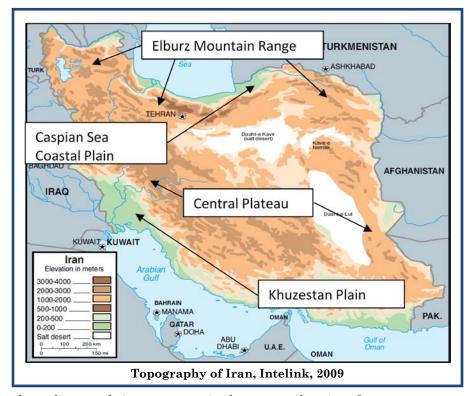
The Elburz and Zagros Mountain Ranges dominate Iran's terrain and cover more than half its area.

The Elburz Mountain Range in the north runs along the south shore of the Caspian Sea from the border of Azerbaijan in the west toward Turkmenistan and Afghanistan to the east. The Elburz contain numerous peaks that rise above 12,000 feet; Mount Damavand, at 18,606 feet, is Iran's highest peak. The high elevation in the mountains will provide defenders with terrain from which they may acquire and engage advancing units. Permanently snow-covered Mount Damavand stands in the center of the range. Tehran, Iran's capital and largest city rests in the Elburz Mountain foothills.<sup>5</sup>

The Zagros Mountain Range, the largest mountain chain, consists of a series of hills separated by widely scattered plains that bisect the country. The Zagros Mountain Range extends from the Armenian border in the northwest to the Persian Gulf, and then eastward to Baluchistan in the southwest. Numerous peaks exceed 9,800 feet and at least five peaks in the south central area surpass 13,100 feet. The terrain in the Zagros Mountains is difficult to access, very harsh, and largely populated by pastoral nomads.<sup>6</sup>

### The Lowlands

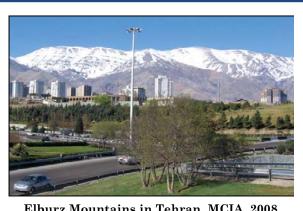
Iran's lowlands consist of the Khuzestan Plain along the Iraqi border in the southwest, the narrow coastal land along the Persian Gulf and Gulf of Oman in south, and the coastal plain along the Caspian Sea in the north. The Caspian Sea coastal plain extends for about 470 miles east to west and varies from less than 0.62 miles wide in the northwest to more than 62 miles wide in the northeast. The Khuzestan plain averages about 99 miles in width and extends about 75 miles inland. Most of the Khuzestan plain is covered with



marshes. Crops such as barley, wheat, and rice are grown in these coastal regions.

### The Iranian Plateau

Within the ring of mountains that surrounds most of Iran is a series of basins and plateaus collectively referred to as the Iranian Plateau or Central Plateau. The plateau is a desert region that consists of sand, rock, and compacted silt. Mountains vary from 2,953 to 5,000 feet in elevation. The elevation averages about 2,953 feet, but some of the mountains on the plateau exceed 9,000 feet. Gradually, the plateau merges into the Zagros and Elburz Mountain Ranges. The country's urban and chief agricultural areas are located in the foothills of these mountains in the west and northwest; the soil is fertile and mountain snow runoff provides sufficient water.



Elburz Mountains in Tehran, MCIA, 2008

The plateau contains two large salt deserts known as the Dash-e-Lut and the Dash-e-Kavir. Pebbles and sand cover their ground. The deserts' hot temperatures can cause extreme vaporization that leads to marshes and muddy ground with large crusts of salt. The deserts stretch for a distance of about 400 miles; they are unsuitable for agriculture and largely remain uninhabited.8

### BODIES OF WATER

Out of 636,372 square miles of total area, water comprises only a little over 45,000 square miles. Lake Urmia is the country's largest lake. Major rivers include the Karun, the Sefid-Rud, the Haraz, the Qom, the Tehan, and the Zayandeh.

Lake Urmia (sometimes referred Lake to as Orumiyeh) is Iran's and the Middle East's largest lake and the world's third largest salt lake. The lake covers an area that varies from 2,000 to 3,000 square miles. Lake Urmia's surface usually ranges from about 87 miles long and 25 to 35 miles wide with a maximum depth of 53 feet. Due to its high mineral and salinity content, the lake cannot support any aquatic life; therefore its shores remain barren and undeveloped.<sup>9</sup> Its waters are still used for salt exploitation and other elements such as lithium, bromine, and potassium. 10

Uzbekistar Sefid-Rud River Turkmenistan Tabriz Mashha Neyshabi and (5671 m) TEHRAN Lake Urmia Dasht-e Kavir Herat Afghanistan Zagros Najafabad Birja Dasht-e Lut Karun River Bam Pakistan Jiroft Saudi Arabia Bodies of Water in Iran, Aquarius, 2007

Karun is Iran's longest and only navigable river.

Located in southwest Iran, it runs 515 miles. The Karun begins in the Bakhtiari Mountains (in the Zagros Mountain Range) and serves as a tributary for the Shatt al-Arab River.

At 450 miles long, Sefid Rud River is Iran's second largest river. It rises in northwest Iran and generally flows east to meet the Caspian Sea at Rasht. The river cut a gap through the Elburz Mountain Range that combines two tributaries and widens the valley between the Talesh Hills and the Elburz Mountains. This gap provides a major route between Tehran and the Caspian lowlands. 11

Many of the streams that reach the Iranian Plateau contain dry beds for most of the year. In the spring, once the snow on the mountains starts to melt, rivers begin to flow into salt lakes. During the hot summers, these rivers dry up, as do most of the salt lakes into which the rivers flow.

### UNDERGROUND CANALS

Many areas that border the central deserts receive fewer than eight inches of annual precipitation, making them insufficient for non-irrigated agriculture. Cities in those areas meet their water needs by use of the ancient quant system. Quants consist of underground water channels built centuries ago that collect fresh groundwater and store the water in underground reservoirs. Quants supply roughly 60% of Iran's water. Since quants often serve as the only source of water, desert settlements are usually found in their vicinity. Quants are found in areas with little precipitation, mainly in the Central Plateau around the Dash-e-Lut and Dash-e-Kavir Deserts. 13

### SURFACE WATER RESOURCES

The mountainous areas north and east of Tehran offer the best water quality, but steep and high banks of the streams severely restrict access. Maximum water intake occurs between March and July, primarily due to snowmelt. The lowest water levels occur between November and February. Large fluctuations in water flow occur during the high water stage months. All intermittent streams, located in the mountains, are said to have large quantities of water available at high water stages. (Refer to Annex G for more information on water resources, facilities, and ground water resources.)

### MOBILITY CLASSIFICATION

Iran's rugged terrain favors the defender and is generally ill suited to armored or mechanized operations, particularly in the coastal regions. Regions in the high basin are only accessible through winding, narrow mountain passes.

### RESTRICTED TERRAIN

Cross country movement in Iran is complicated by the country's harsh environment of desert and mountains. The Zagros Mountains in the eastern half of the country prohibit vehicular travel. Equipment and vehicles will get stuck in muddy areas created at the base of the mountains by melting snow and spring rains. <sup>14</sup> During heavy rains, marshlands and rivers of southwest Iran are subject to flooding, bringing ground movement to a halt. Because of their location, mountains can be used for smuggling drugs, weapons, and fighters. The mountainous terrain will make vehicle breakdowns and tire changes a daily occurrence. The mountain ranges and the Iranian Plateau are almost inhospitable to Western fighting forces.

### NATURAL HAZARDS

Iran suffers from periodic drought, floods, dust/sand storms, and mirages, but earthquakes are the most significant natural disasters.

### DUST AND SAND STORMS

The frequency and severity of dust and sand storms in Iran depend on surface wind strength and topography. The Khuzestan Plain in the southwest often has dust storms due to its soil. The southern coast, inland desert, and semi-desert areas are subject to sandstorms. Dust and sandstorms occur in the interior for an average of 5 to 10 days monthly. During winter, dust or sandstorms are lifted over wide, dry surfaces areas by winds and can occur with cold fronts and thunderstorms. In summer, storms can be most severe during the heat of the day and make travel impossible. They can eliminate visibility under the worst conditions. <sup>15</sup> Dust and sand storms mostly occur in the spring and summer season.

The last major sand storm in Iran occurred in July 2009 and forced businesses and schools to close for two days; Tehran and other big cities such as Ahvaz and Kermanshah were affected. In February 2010, the western provinces of Kermanshah, Kordestan, and Lorestan were hit with a series of dust storms. According to *Tehran Times*, the western and southern parts of the country have been



Dust storm, July 2009, NASA Earth Observatory, 2009



Dust storm, February 2010, Tehran Times, 2010

dealing with numerous dust storms for months and those recent storms have been severe. 17 People were told to stay inside unless necessary and to wear masks if outdoors.

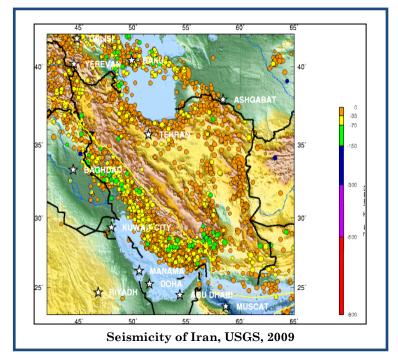
### **MIRAGES**

Mirages accompany aridity and heat in the flat interior and southern Iran. They have no affect on aerial observation due to their moderate intensity of 16 to 33 feet, but they pose an obstacle to ground visibility; the outlines of objects become obscured. Mirages interfere with depth perception by making objects appear closer to the eye.<sup>18</sup>

### **EARTHQUAKES**

Iran is located between two major depressions, the Caspian Sea to the north and the Persian Gulf to the south. Its massive mountain ranges are active earthquake zones and the most vulnerable zone is the northwest. During the last two decades of the 20th century, around 1,000 earthquakes were registered in northwestern Iran. Being on an active seismic belt, Iran is subject on average to about 100 earthquakes during any given year. Also, on average, at least one earthquake of magnitude equal or greater than 6.0 on the Richter scale has struck Iran every year during the last century. 19

The most devastating earthquake occurred on 21 June 1990 in the northern Caspian Sea coastal regions of Gilan and Zanjan, and registered 7.7 on the Richter scale. It caused 50,000 deaths; 100,000 injuries; and 500,000 were left homeless. 20 In 1997, a region near Ardabil in northwest Iran was struck by an earthquake that registered 7.1, claiming 550 lives.21 In December 2003, in the southeastern city of Bam, earthquake with a magnitude of 6.6 killed 30,000 people and displaced more than 75,000 people.<sup>22</sup> The most struck earthquake recent Khuzestan Province in southern Iran in January 2010 and damaged about 150 houses. It registered a magnitude of 4.9 and there were no casualties. 23



The frequency of serious earthquakes

in northwest Iran puts the approximately 12 million people in the urban area of Tehran in an extremely vulnerable position. According to experts, if a major earthquake were to strike the city, it could mean the loss of thousands or perhaps millions of lives. These people live in poorly-built, high-rise apartments and the many cheaply constructed mud brick buildings which would allow vast destruction and high death tolls.<sup>24</sup>

### OTHER (MANMADE DISASTERS)

### **Environmental Pollution**

Two manmade hazards that should be taken into consideration are air and water pollution. In Iran, environmental challenges are increasing due to a growing economy and population. In urban areas, refinery operations, vehicle emissions, and industrial emissions contribute to poor air quality. Air

pollution in major cities such as Tehran and Mashhad leads to serious health problems for many Iranians. Occasionally, levels of air pollution in Tehran are severely high and force schools to close.<sup>25</sup>

Generally, Iran's air pollution presents heath risks related to long term exposure. Periodic reduction in urban air quality may lead to short-term risks, especially in sensitive people. Individuals exposed to chemicals such as nitrogen oxides, and sulfur dioxide will experience acute respiratory symptoms such as coughing, wheezing, and reduced lung function.<sup>26</sup>

Tehran faces air pollution problems in the cold season when cold air and a lack of wind mean that great clouds of smog sit on the city for days on end.<sup>27</sup> According to BBC reporting, nearly 10,000 people died in Tehran due to air pollution, and in the previous year (2005-2006), 9,900 people died of pollution.<sup>28</sup>

Some of the causes for water pollution in Iran include deteriorated water treatment and distribution systems and improperly disposed waste oil.<sup>29</sup> Those living in urban areas have better access to potable water that those in rural areas or areas with inadequate treatment, processing, or waste disposal facilities. Military services would have to sanitize their water prior to use.

Inadequate supply of water is also an issue. Close to one half of the country lacks water.<sup>30</sup> Distribution systems and water treatment are present in most urban areas and larger villages but they are in poor condition and are ineffective. Most villages and rural areas use shallow wells for their water supply, but those wells are starting to dry up because of droughts.

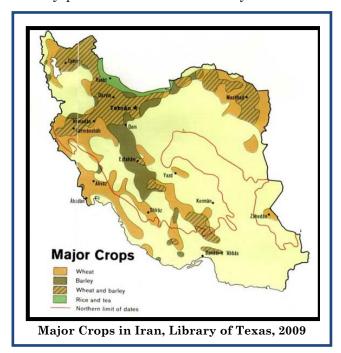
#### VEGETATION

Lush forests cover the northern slopes of the Elburz Mountains; the rest of the country contains few forested areas. The deserts in the central part of the country only receive a few inches of rain annually and the scant moisture does not allow soil formation or much vegetation growth. The most common vegetation patterns in the Caspian Sea coastal region are thorny shrubs and ferns, broadleaf deciduous trees such oak and beech, as well as a few broad-leaf evergreens. In the Zagros Mountains, there are semi-humid oak forests together with elm and maple. Thin stands of juniper, almond, and wild fruit trees are found in the semi-dry plateau. Grasses and thorny shrubs cover

steppes while acacia and palms often grow in areas below 3,000 feet.<sup>31</sup> (Refer to Annex G for more information on land cover in Iran.)

Although only 10.9% of Iranian land is arable, agriculture still employs about a quarter of the labor force and accounts for one-fifth of the GDP. Out of the total arable farmland, less than one-fourth is under cultivation because of poor soil and lack of adequate water distribution in many areas. Less than one-third of the cultivated area is irrigated; the rest is devoted to dry farming (rain-fed). Forms of irrigation include diverting river water through a network of canals, digging deep wells, and the qanat system. The western and northwestern areas of the country have the most fertile soils.<sup>32</sup>

The wide range of temperature variation in different parts of the country and the multiplicity of climatic zones make it possible



to cultivate a diverse variety of crops such as rice, wheat, corn, barley, dates, figs, tea, tobacco, vegetables, and cotton. Barley, wheat, and rice are the dominant Iranian crops. Wheat and barley are produced almost all over the country in both rain-fed and irrigate areas, but rice production is limited to moist areas bordering the Caspian Sea. Because of its larger and growing population, Iran must import a significant amount of food, particularly rice and wheat. Iran is the world's largest producer of pistachio nuts. Nuts and dried fruits are the third most important Iranian export in terms of value.

### **CLIMATE**

The country's diverse topography contributes to a climate that is subject to extreme variation. The climate ranges from subtropical in the south to subpolar at high elevations. Summer and winter can bring extreme temperatures of hot and cold respectively, and rainfall mainly occurs in spring.<sup>33</sup> Iran has all four season, with spring and fall being the shortest. Spring is from March to June; followed by summer until September. Fall is between September and December. Winter lasts from December to March.

### WEATHER

### **PRECIPITATION**

Most of the precipitation falls during spring. The national annual average precipitation reaches about 14 inches. The Caspian Sea coastal region receives the country's greatest annual precipitation, varying from 32 to 80 inches. With the exception of the high mountain valleys of the Zagros and Caspian coastal plain, precipitation throughout the rest of the country is relatively scarce. The highest western slopes of the Zagros Mountains receive more than 40 inches of rain annually. Fewer than four inches of rain fall annually over the Dash-e-Lut and Dash-e-Kavir Deserts. The melting of heavy winter snow in the mountains combined with heavy rains causes nearly annual flooding. Torrential rains in dry seasons or areas may rapidly fill dry streambeds and riverbeds with runoff water, causing flash flooding.

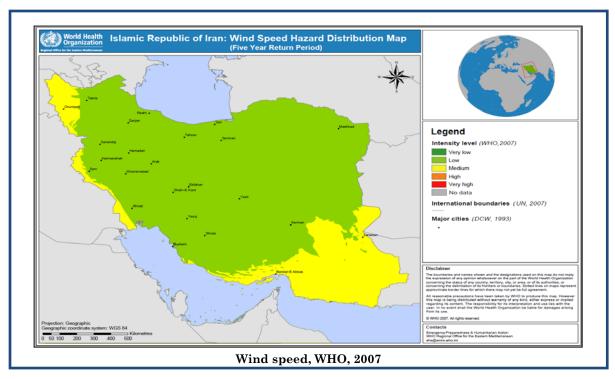
### TEMPERATURE: HEAT INDEX

Seasonal winds, elevations, and proximity to deserts or mountain ranges play a significant role in daily and seasonal temperature fluctuation. The extreme hot temperatures during the summer, partnered with dangerous winds, will make troop mobility slow, difficult, and limited. The harsh conditions will make operating in the area a challenge.

In the summer, daytime temperatures go as low as 35° F in the mountains of the northwest region but can run as high as 120° F in the desert regions and near the Persian Gulf. In addition to the heat, summers in the region are often dry also. The south, especially near the Persian Gulf, is known for its unpleasant climate. Summers are very hot and humid, with temperatures that have reached 123° F in Khuzestan Province by the gulf. Excessive heat and high humidity in the region makes the weather almost unbearable to people from other parts of the country. The heat can cause heat exhaustion and even heatstroke. Winters, however, are mild.

	Average Sunlight	Ave	Tempe rage	erature Rec	eord	l humidity l		Average Precip	Wet Days (+0.25	
Month	(hours)	Min	Max	Min	Max	humidity	am	pm	(mm)	mm)
Jan	7	11	18	0	27	-	82	78	74	5
Feb	7	12	18	3	29	-	82	76	46	3
Mar	7	15	23	6	41	Moderate	76	71	20	2
Apr	8	19	27	8	39	Medium	72	72	10	1
May	9	24	32	14	42	Extreme	73	74	0	0
Jun	11	27	33	19	44	Extreme	74	72	0	0
Jul	10	29	35	23	44	Extreme	75	73	0	0
Aug	10	29	36	21	46	Extreme	72	71	0	0
Sep	10	26	34	17	42	Extreme	71	69	0	0
Oct	9	22	31	13	38	High	68	68	3	0.2
Nov	8	17	26	6	34	Medium	74	71	41	3
Dec	7	13	20	3	31	-	82	77	81	4
Average Conditions in Bushehr City (south Iran), BBC Weather, 2006										

	Average Sunlight	Ave	Tempe rage	erature Rec	eord	Discomfort Relative humidity		Average Precip	Wet Days (+0.25	
Month	(hours)	Min	Max	Min	Max	humidity	am	pm	(mm)	mm)
Jan	6	-3	7	-21	18	-	77	75	46	4
Feb	7	0	10	-16	19	-	73	59	38	4
Mar	7	4	15	-9	29	-	61	39	46	5
Apr	7	9	22	-2	33	-	54	40	36	3
May	9	14	28	4	37	Medium	55	47	13	2
Jun	12	19	34	11	42	High	50	49	3	1
Jul	11	22	37	15	43	High	51	41	3	0.5
Aug	11	22	36	14	43	High	47	46	3	0.2
Sep	10	18	32	8	38	High	49	49	3	0.3
Oct	8	12	24	3	32	Moderate	53	54	8	1
Nov	7	6	17	-7	29	-	63	66	20	3
Dec	6	1	11	-12	20	-	76	75	31	4
Average Conditions in Tehran (north Iran), BBC Weather, 2006										



### TEMPERATURE: WIND CHILL INDEX

In winter, Iran experiences temperatures at or below freezing. The northwest is reported as the coldest region in the country. The area is known for its cold winters with heavy snows and subfreezing temperatures during December and January.

### WIND

The baad-e sad-o-bist rooseh (wind of 120 days) wind occurs during the hot summer days and carries sand particles. With a velocity of 70 miles per hour, the wind blows toward the provinces of Sistan and Baluchistan in the southeast, destroys plants and vegetation, strips away the soil, and damages buildings and livestock. Traveling is limited and dust particles clog air intake on cars and other vehicles. The dust also works its way into machinery of all kinds.

Large dust and sand storms in desert areas in the center of the country can limit visibility and adversely affect equipment and machinery. The storms carry dust and or sand particles in the air and sometimes the dust becomes suspended in the air. In the summer time, upsweeps and downdrafts also spread dust in the atmosphere, creating haze after strong storms. The storms cloud visibility, damage machinery and equipment, ruin electrical circuits, and wear away textiles.<sup>34</sup>

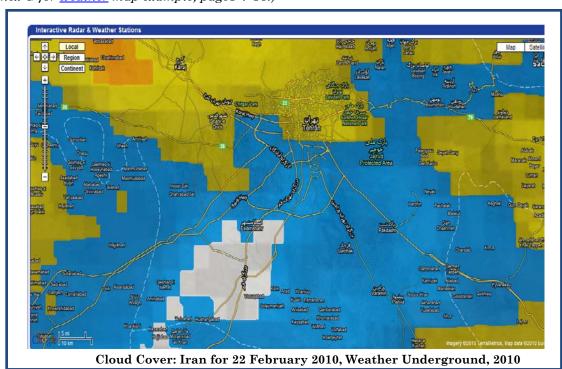
#### RELATIVE HUMIDITY

Refer to the temperature/precipitation sections and the average conditions tables. For current weather conditions and multi-day forecasts for locations within Iran, please go to the Iran Meteorological Organization website at <a href="http://www.irimo.ir/english/forecast/index.asp">http://www.irimo.ir/english/forecast/index.asp</a> or the National Weather Service Telecommunication Operations Center website at <a href="http://weather.noaa.gov/weather/current/OIKB.html">http://weather.noaa.gov/weather/current/OIKB.html</a>.

### ADDITIONAL TERRAIN/ WEATHER INFORMATION

### RESOURCES - WEATHER UNDERGROUND

The Weather Underground service offers screen-size weather maps. One can view current local temperatures and conditions. The viewer can see cloud cover via satellite and precipitation via radar. Through the satellite and hybrid options, readers are able to look at actual maps and distinguish obstacles and key terrain features for mobility purposes. Viewers have access weather alerts and can see wind and humidity in any area of the country, with the options of satellite, terrain, regular map, and hybrid. Weather Underground and its Full Screen Weather Maps service is a great tool for mission planners on the ground. Troops are able to access current weather and terrain information. These services are great tools for exercise design guides and pre-deployment training. (Refer to Annex G for weather map example, page 1-7-18.)

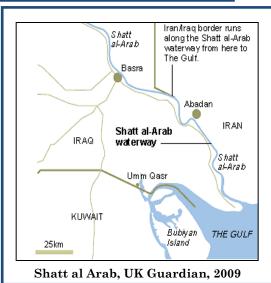


### BORDER DISPUTES

Iran has border disputes with Iraq and the United Arab Emirates (UAE).

Shatt al-Arab River (also known as Arvand Rud) is a major body of water shared by both Iran and Iraq. Jurisdiction disputes in the Arabian Gulf continue due to a lack of a clearly defined maritime boundary along the river. Both countries have disputed navigation rights of the river since 1935.

According to author Masoud Kheirabadi, one of the major objectives of Iraq's invasion of Iran in September 1980 was the annexation of this strategic and economically important body of water.<sup>35</sup> The river



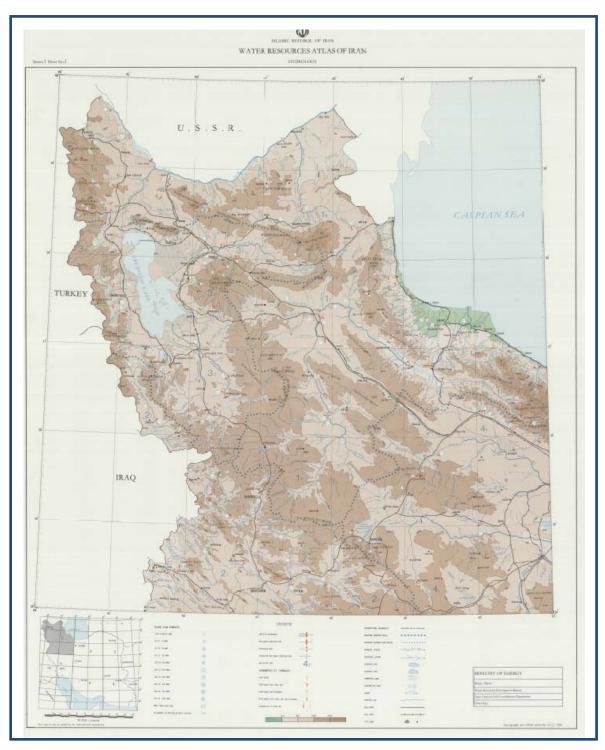
plays an important role in Iraq's economy. Shatt al-Arab and the small stretch of land on the Iraqi side serve as the country's only outlet to the Persian Gulf, and provides the shipping lanes necessary to export its resources, mainly oil.<sup>36</sup> The river's waterway continues to remain a source of conflict as limited water access and unresolved maritime boundaries in the region persist.<sup>37</sup>

### Summary

Iran is one of the most mountainous countries in the world, with rugged mountain ranges that separate various basins from one another, and has a climate that varies from subtropical to subpolar. Iran depends on underground resources to meet most its need for agriculture and other uses. Iran's location on the Persian Gulf and control of the Strait of Hormuz gives it strategic importance. The harshness of its terrain will make operating in the country a difficult task. Operating forces will face extreme temperatures not only in the summer, but also in winter. The environment of Iran will take a toll on equipment and personnel.

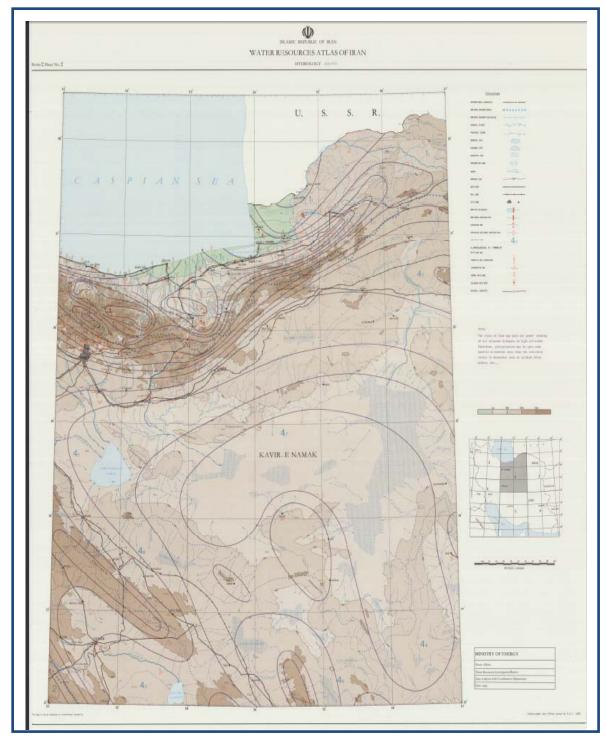
## Annex G

Map 1: Hydrology, Northwest Iran



 $TEC, \underline{https://tsunami.tec.army.mil/Products/filelib.cfm?d=/GeoPDF/Other\_GeoPDFs/Iran//physical, 2009$ 

Map 2: Hydrology, East Iran

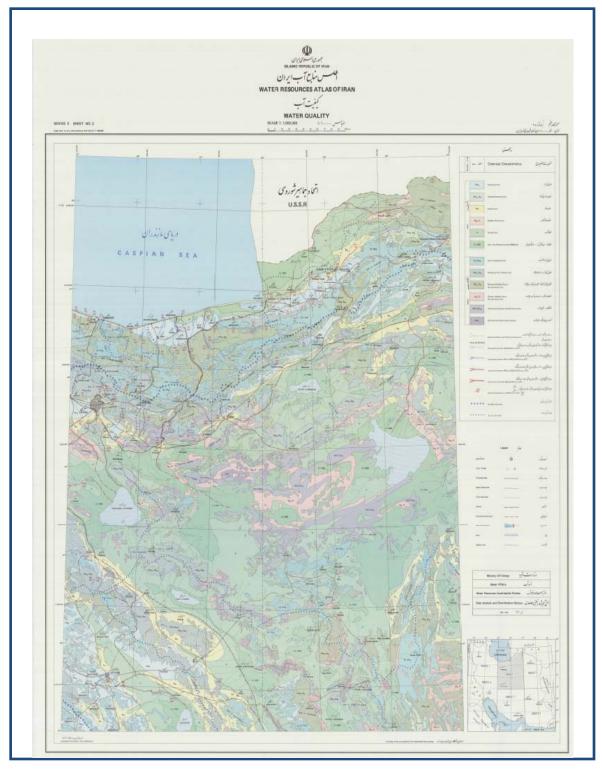


 $TEC, \underline{https://tsunami.tec.army.mil/Products/filelib.cfm?d=/GeoPDF/Other\_GeoPDFs/Iran//physical, 2009$ 

Map 3: Ground Water Exploitation, Northwest Iran

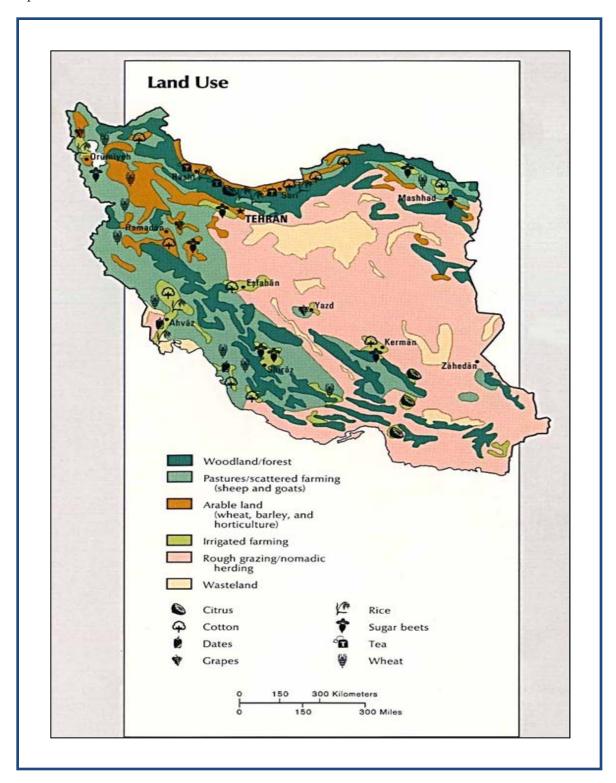
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Map 4: Water Quality, East Iran



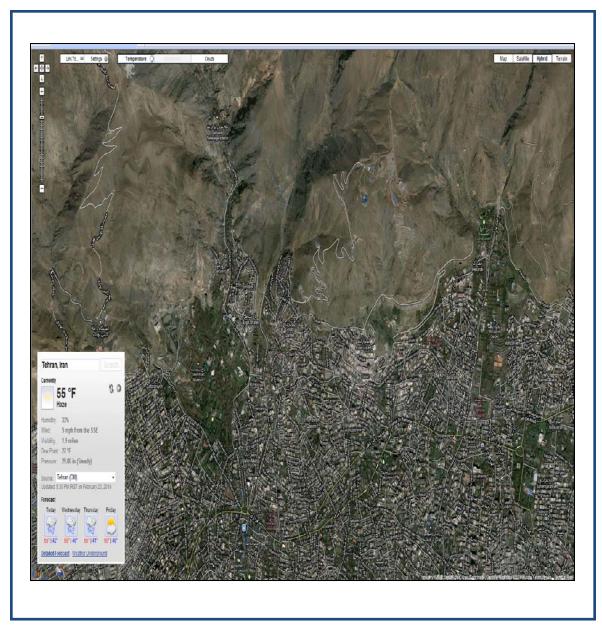
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Map 5: Land Cover



 $Mappery, \underline{http://mappery.com/map-of/Iran-Land-Use-Map}, 2010$ 

Map 6: Weather in Iran for 23 Feb 2010



 $Weather\ Underground, \underline{http://www.wunderground.com/cgi-bin/findweather/getForecast?brand=wxmap&query=TEHRAN,\ 2010$ 

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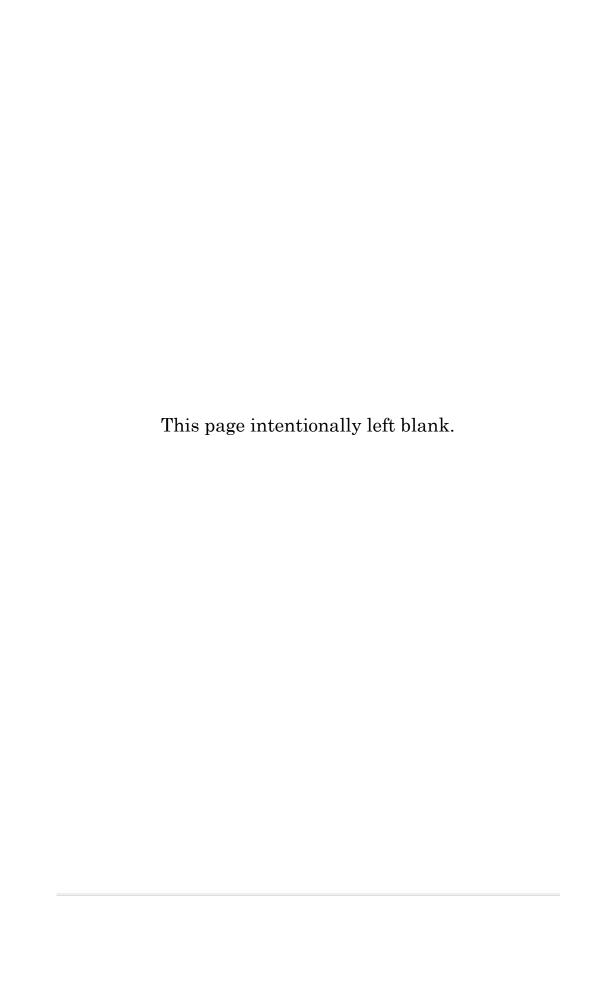
<sup>&</sup>lt;sup>3</sup> CIA, World Fact Book Iran, https://www.cia.gov/library/publications/the-world-factbook/index.html, 2009.

<sup>&</sup>lt;sup>4</sup> Intellipedia, Iran Geography, <a href="https://www.intelink.gov/wiki/Iran#Geography">https://www.intelink.gov/wiki/Iran#Geography</a>, 2009.

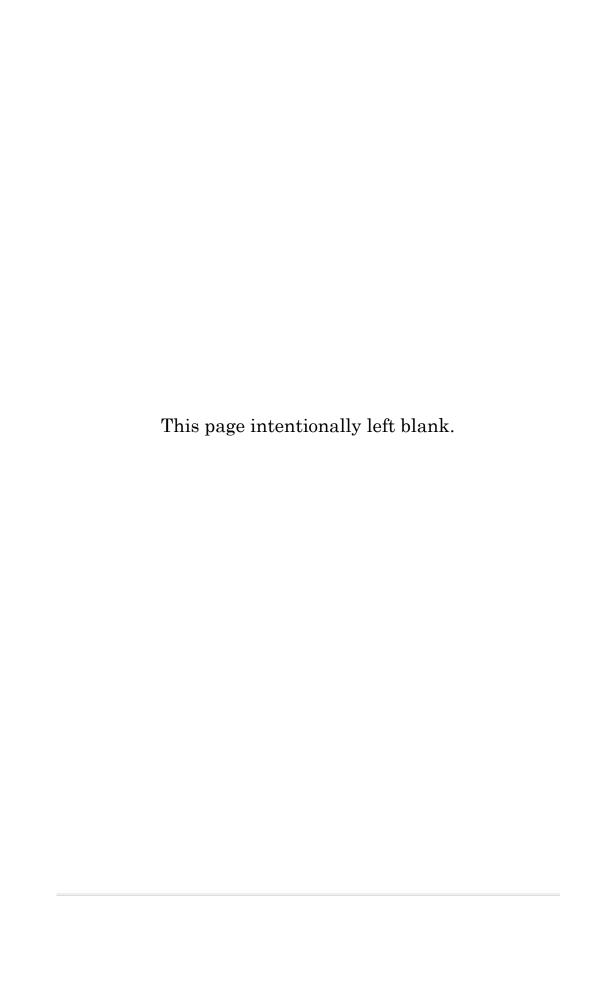
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## TIME



## TIME



### Time

The time variable describes the timing and duration of activities, events, or conditions within an OE, as well as how the timing and duration are perceived by various actors in the OE.

"The best memory is that which forgets nothing, but injuries. Write kindness in marble and write injuries in the dust."

**Persian Proverb** 

### **KEY FACTS:**

- The Iranian culture is not time sensitive when compared to the Western perception of time.
- Iranians use three different calendars that represent three unique threads within Iranian culture. The calendars honor three different types of holidays.
- Many Iranians consider themselves descendants of a superior Persian culture that 2,500 years ago dominated the known world. They believe that they, in time, are entitled to and will again achieve world power status.
- The holiday that generates the most violence (usually sectarian) occurs during Ashoura when Sunni and Shia extremist groups clash with those of the opposite sect. This violence demonstrates the religious divide between Sunnis and Shias.

### OPERATIONAL IMPACTS OF THE TIME VARIABLE IN THE OE:

- Iranians believe that current unfavorable conditions will certainly change in time. This
  macro view sometimes diminishes any individual motivation to attempt to change any
  unacceptable existing conditions.
- Iranians view time as less important than other factors, even with planning. In planning military operations, Westerners might view Iranians as slow and methodical, analogous to a chess player.
- Recently, reformers used significant holidays to protest the Iranian Government. This technique minimizes kinetic ramifications against protestors.
- On most Islamic holidays, government-appointed clerics preach politically charged sermons with a general theme of self-sacrifice, as demonstrated by Shia martyrs in the past. Often on holidays there are also demonstrations against Israel and the US.

### TIME OVERVIEW:

Time expresses itself as a multifaceted element in Iranian society. The country's long history and religious, military, and agricultural influences affect Iranian culture. All these factors influence how Iranians both mark time and allow past events to shape current and future decisions on both individual and national levels.

The following discussion analyzes the view of time as it relates to Iran. Time is broken into the following topics: the cultural perception of time in Iran, which explains the Iranian cultural view of

punctuality; key historical events; and the marking of time with calendars. Understanding these three critical areas and how they relate to each other is necessary to comprehend Iranian motivations and time's impact on all Iranian issues.

### CULTURAL PERCEPTION OF TIME

Iranian society is not as sensitive to time when compared to the Western perception of time and accountability. The Iranians' perception of time is more relaxed, both in the business setting as well as in their leisure hours. Many Iranians deem that personal requirements, needs, or desires take precedence over schedules, other people's time, business, or appointments.

Iranians view time as less important than other factors, which is evident even when dealing with planning military operations. Iranian leaders value the process of planning over meeting a deadline imposed by an outside schedule. The concept of time however, stretches across all aspects of their society. Three different calendars characterize the Iranians' unique concept of time in their culture.

### KEY DATES, TIME PERIODS, EVENTS

Key points in Iranian history explain events that impacted the development of the Iranian persona. This understanding will allow the reader to more effectively plan and collaborate with members of Iranian society as it relates to the time variable. Time is a major factor in how Iran perceives itself—historically, currently, and into the future. Knowledge of four historical events is necessary to comprehend and better appreciate the present-day Iranian cultural persona. This will allow for more accurate predictability of future Iranian responses to US policy.

Iranian history dates back over 2,500 years, and their cultural group dynamic began at that time. Events over the following 25 centuries continuously built on the preceding events to lead the Iranian cultural persona to where it is today. These important eras include the domination of the region by the ancient Iranian Empire, the introduction of Islam to Iran, the death of Husayn that created the Islamic schism, and the victimization of Iran by outside nations. More recent events have also impacted the current Iranian persona.

The reader should consider the analogy of Iran as an individual who once possessed great authority that someone stole from him. Feeling victimized, the individual turned to religion. The psychological impacts on the individual Iranian created a superiority mindset, suspicion of outsiders, and a turn to religion as a safe haven that converted the individual into a zealot. These factors developed the Iranian persona over a long time. Even though an Iranian citizen today did not live in all four eras, generations of Iranians passed down the cultural perception of time. Today's Iranians feel a connection with their past in many ways that Americans do not. The Iranian concept of time continues to develop with perceived new injustices heaped on top of the old ones passed down by previous generations.

### Historically a Dominant Power

The Iranians take great pride that over 2,500 years ago, the ancient Iranian Empire ruled the Middle East as the dominant power in the known world. This time period created an Iranian mindset that they believe makes them superior to most cultures and one day they hope to regain their natural position of global authority and dominance. The Iranians perceive that eventually the world's current power structure will change and that sometime in the future, the Iranians will return to the top of the hierarchy of nations.

### Introduction to Islam

The second important era dates back to the 7<sup>th</sup> century when the Arabs introduced the Islam religion to the Persians, the former designation for Iranians. Islam profoundly impacted the entire Arab culture and continues to affect Iran today. Religion significantly influences almost every one of Iran's vital cultural institutions.

### Schism of Islam

The third historical period in Iranian history occurred with the schism in Islam after the death of the Prophet Mohammad that divided the Muslims into the Sunni and Shia sects. The feud began over Mohammad's proper replacement. The death of Husayn, the Prophet's grandson, generated the break into the two main Islamic sects. The Shias believe that only a blood descendant of Mohammad could serve as the lead Imam while the Sunnis believe that the most qualified person should lead the religion. Ninety-eighty percent of Iranians profess themselves as Muslims with 89% of those in the Shia sect. Iran's role in the development of the Shia form of Islam gave the nation a distinct character and position within the Islamic culture.

### Victimized by Outside Entities

A more recent fourth era involves the belief that outside countries victimized a weak Iran or its predecessor nations. Iranians, with much justification, can look back upon their collective experiences with the Russians, British, and Americans with distaste and distrust. In the early 18<sup>th</sup> century, Russia and Britain competed for the Asian trade routes and a weak Iran became a victim caught between both parties. The Iranians signed a number of disproportionate treaties with the Russians—such as the Treaty of Goestan and the Treaty of Turkomanchay—that ceded large amounts of Iranian land.<sup>3</sup> The British for over a century exploited Iranian oil resources with minimal financial returns for the Iranians. Iranians also perceive the US negatively because of the US's close relationship with the British and the continued negative perception of British successors related to the exploitation of Iranian oil.

### **Cycling Time**

Iranians believe that time goes through a cycle and everything remains subject to change. For example, Iranians perceive the 1979 Revolution as another important event in their country's recent history. This event severely strained the relations between the US and Iran. The past, however, proved pivotal in this event. Religion and suspicion of American intentions played a major role in the Shah' overthrow when the Shah attempted to severely crack down on the opposition with military force. History guides Iranian decision making processes and regime changes naturally occur in their culture as time goes through its cycles.

The fraud perceived by many Iranian citizens in August 2009 Iranian national elections resulted in several demonstrations and protests. Forces loyal to the clerical regime beat, arrested, or killed some of the protestors. Many believe that the clerical regime acted heavy handedly to silence the protesters. Young, liberal, and educated Iranians who range in age from their mid-teens to early thirties comprised most of the protesters.

The older conservative Islamic clerics currently in power fear these protests as a threat against the continuation of the Islamic Republic. This generational gap could become explosive if the ruling regime cracks down too hard on the protestors. If the current clerical regime faces continued opposition and continues to violently suppress the protestors, the entire system may face drastic change. This type of event only reinforces the Iranians' view of the cyclical nature of time.

### **CALENDARS**

Iranians use three different calendars that represent three unique threads throughout Iranian culture. These cultural threads generate three types of Iranian holidays. The first type encompasses those derived from Shia Islam, the predominant religion in Iran, which consist mostly of expressions of grief or anger over the murder of Imams Ali and Husayn. The second type includes holidays that originate from the ancient Persian calendar. An example is Norouz, which commemorates the ancient festival of the Spring New Year. The final type derives holidays from the secular Western calendar. In recent years, a large number of Iranian official documents use both the Islamic and Western calendar dates. The three calendars together symbolically represent Iran's cultural contribution to its perception of historical events.<sup>4</sup>

### **Key Holidays**

The chart below lists the key Iranian holidays. Historically, Ashoura (February 9) generates the most violence, usually sectarian in nature. Government appointed clerics with politically charged sermons lecture on self-sacrifice and about the historical Shia martyrs on Ashoura. The religious holidays often involve demonstrations aimed against Israel and the US. Many Iranian government holidays celebrate events such as the seizure of the American embassy in Iran and the 1979 Revolution. The holidays often include military parades, political speeches, and rallies typically in support of the government. More recently, however, reformers chose to protest the Iranian government on the holidays to reduce backlash from the clerical regime.

HOLIDAY	DATE	DESCRIPTION	MILITARY IMPACTS
Eid ul-Adha	January	"Feast of the Sacrifice" celebrates Abraham's willingness to sacrifice his son to God; Muslims sacrifice a lamb and give a third of the meat to the poor	Not applicable
Eid ul Ghadir	19 January	Primary Shia Muslim holidays; celebrates the day the Prophet Mohammad gave his last instructions to his followers and named his successor	Not applicable
Islamic New Year	31 January	New Year based on Islamic calendar	Families (Muslim and non-Muslim) gather; pre- dates Islam in Iran; nonviolent
Ashoura	9 February	Shia day of mourning; celebrates the martyrdom of the Prophet's grandson, Hussein, and his followers at the battle of Karbala; Shia communities re-enact events of that day.	History of violence on this date perpetrated by Sunni and Shia extremists groups; large crowds of Iranians take trips to Karbala in Iraq; points out the religious divide between Sunnis and Shia; often violent
Victory of the 1979 Revolution	11 February	Celebration of 1979 victory	Military parades; political and religious speeches
Norouz	21 March	Iranian New Year	Not applicable

Islamic	1 April	Ayatollah Ruhollah Khomeini	Not applicable
Republic Day		declared a new Islamic Republic	
		after a national referendum	
Ali's Birthday	8 August	Birthday of Imam Hazrat Ali	Not applicable
Holy Prophet Ordainment day	22 August	Prophet Mohammad received his calling on this day	Not applicable
Eid-ul-Fitr	October	"Feast of Breaking the Fast" celebrates the end of Ramadan, the month of fasting	Not applicable

Most Information from Marine Corps Intelligence Activity, Iran Country Study, 2008 (Chart altered and updated by TRISA, 2010)

### Harvest Cycle

Along with key Islamic holidays, other important dates involve the Iranian agricultural cycle. The harvest cycle normally begins in May and lasts through August. The harvest cycle begins with lowland crops in southern provinces when they reach maturity first and continues north as the other areas reach harvest time.<sup>5</sup> The harvest crop cycle tends to largely impact Iran's rural population. Besides the actual harvest events in this period, other activities include the logistical support necessary to transport the crops from the rural areas to the urban cities. Harvest planning remains crucial to coordinate Iran's limited resources (water irrigation.) Planning, timing, and the elements play determine whether Iran realizes a successful harvest that impacts the entire country's population and not just the agricultural sector.

## Summary

Iranian cultural perception of history differs from the US perception. Iranians base their cultural perception of time on historical dates, time periods, or events that occurred over the past 2,500 years. These events, which may seem distant to an outsider, still affect Iran today. Iranians view time and history as a never-ending process of change in regimes and leadership through a long-term perspective. They tend to think of time in terms of millennia, not centuries. The Iranians interpret the fate of their empires and their rulers, which gained power and then faded, as a metaphor for the experience of change in a cultural lifetime. The Iranians' expectation that a regime or a leader will fall does not come as a surprise. Iranians believe that current unfavorable conditions will certainly change in time, and this mindset sometimes diminishes the motivation for individuals to attempt to change current unacceptable conditions. In the Iranian cultural persona, for better or for worse, time will change the current situation.<sup>6</sup>

Iranians view time as important, but in an historic context. Because historical events play such a contemporary role in Iranian society, those that hope to understand Iran must know how time shaped Iran's cultural development and comprehend the meanings behind them. Political, religious, and military elements sometimes use these historical dates and times to exploit the masses. The more one understands the role of time's influence on the Iranian culture, the better the individual can cope with Iranians, whether it is in negotiations or to understand an Iranian's diplomatic or military actions.

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- <sup>2</sup> Marine Corps Intelligence Activity, Iran Country Study, 2008.
- <sup>3</sup> Ibid.
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### <sup>5</sup> US Department of

 $\label{eq:local_state} A \textit{griculture} \\ \textit{http://74.125.155.132/search?q=cache:} \\ \textit{9kDQS2xUrx4J:www.pecad.fas.usda.gov/highlights} \\ \textit{12009/05/Iran/+Iranian+harvest+seasons\&cd=9\&hl=en\&ct=clnk\&gl=us,2009.} \\$ 

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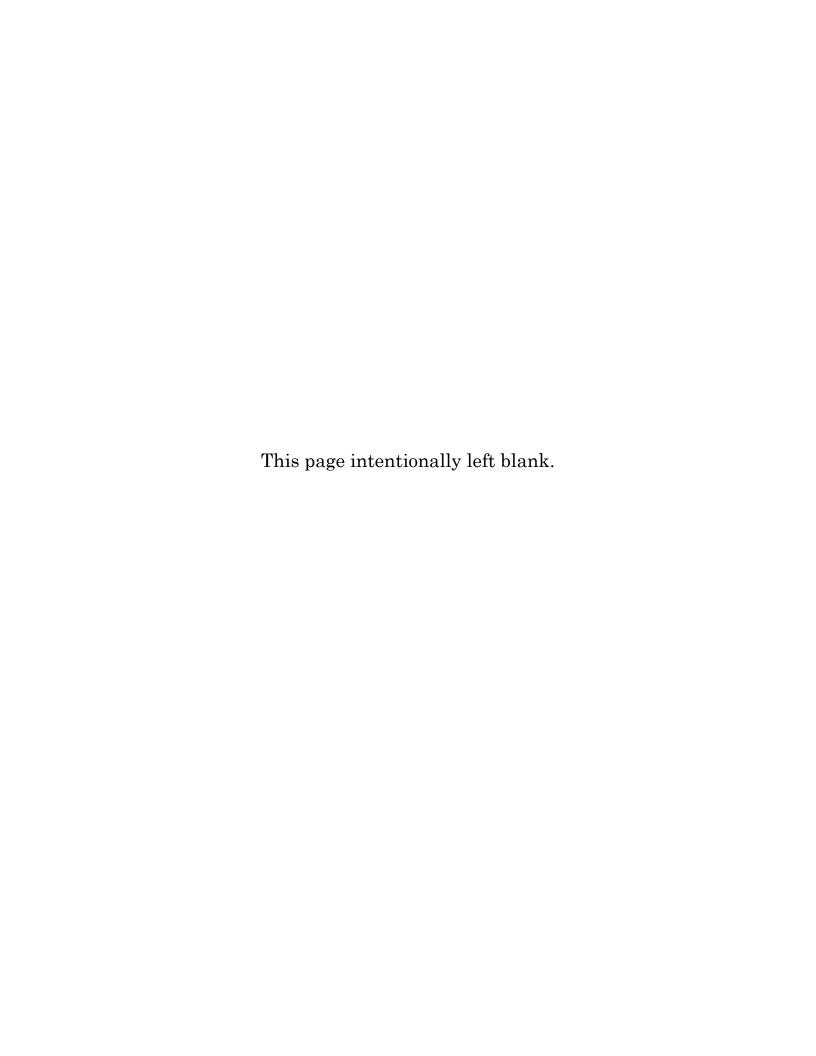
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<sup>&</sup>lt;sup>6</sup> Marine Corps Intelligence Activity,

## **SECTION 2: TRENDS ANALYSIS**



### Trends for the Political Variable Operationalized to Iran

(Trends based on three-year timeline)

<b>Variable Interaction</b>	<u>Trends across the PMESII - PT Variables</u>
Political/Military	Iranian political leadership feels entitled to be the principal player in the Persian Gulf region, therefore they will continue to develop a nuclear capability as a sign that they have arrived on the international stage.
Political/Military	Political leadership will examine its ties to the IRGC and Basij (and strengthen them if necessary) as wary political leadership review the domestic unrest which followed the 2009 presidential election.
Political/Military	The political leadership will strengthen its ties to East Asia by acquiring military and civilian hardware and technical assistance from East Asian countries, most likely China.
Political/Economic	President Ahmadinejad will seek to escalate the rate of integration of natural gas into the domestic power supply base, in order to move more oil into the export market to buffet the sagging economy and prop up his expansionary economic policies.
Political/Economic	Iran will continue to court (and seek to further) East Asian markets to replace Western markets for its import/export trade.
Political/Economic	Despite economic pressure to liberalize and privatize industry, President Ahmadinejad will not reduce subsidies to the consumer, but will shift the blame of economic troubles to the US.
Political/Social	The Iranian regime's suppression of groups and people responsible for the 2009 civil unrest will push anti-regime elements into a more irreconcilable position.

### Political/Social

There will be an increasing split between urban (reformist) and rural (populist) populaces due to the crackdown following the 2009 presidential election.

### Political/Social

The conservative political leadership will have to deliver some social improvements to the populace by the next presidential election in 2014, or face serious obstacles as President Ahmadinejad cannot run for reelection for a third consecutive term. The likelihood that the politic could swing into the reformist camp is strong if improvements are not delivered and the legitimacy of the leadership continues to be questioned.

### Political/Information

The Iranian leadership will maintain a tight hold on information to prevent the dissemination of negative press.

### Political/Information

The political leadership will guardedly watch the growth of electronic media (Internet, twitter, etc.) as it provides a mean for uncontrolled information broadcasted from Iran. The Iranian government will watch China (and learn from their actions) about how to best control the electronic media.

### Political/Information

Information broadcast from Iranian state media will continually blame Western powers (US, Israel) for any internal negative economic or social trends.

#### Political/Infrastructure

The Iranian leadership will continue to push for development of the South Pars oil and gas field. Delivery of fuel for domestic needs will satiate the populace and prevent the addition of economic grievances to the current political ones.

#### Political/Infrastructure

Iran will continue to develop nuclear facilities clandestinely to deter American knowledge of the program's extent and use the nuclear issue as leverage in international relations.

#### Political/Infrastructure

The persistent migration of the Iranian people to urban areas will continue to put pressure upon the leadership to meet the increased infrastructure requirements.

#### Political/Physical Environment

While overtly professing support for environmental issues, Iranian political leaders will actually sacrifice their environmental concerns in order to complete required economic development projects.

#### Political/Physical Environment

The economic development projects that the Iranian government fosters will continue to stress the natural environment, including affecting water resources and air pollution.

#### Political/Time

The political leadership needs to ameliorate the populace (improved economic conditions, resolution of political tension, or other grievances) before the 2014 presidential election or face an uphill battle to ensure a conservative victory and stave off a reformist wave of victories.

#### Political/Time

The conservative Iranian leadership will have an increasingly difficult time suppressing interest in government reform as the population bulge matures into their late 20s and early 30s.

## Trends for the Military Variable Operationalized to Iran

(Trends based on three-year timeline)

## <u>Variable Interaction</u> <u>Trends across the PMESII – PT Variables</u>

Military/Political Key leadership of the IRGC will increasingly utilize

the military as a springboard into the political arena.

Military/Political

The increase in the numbers of IRGC membership in politics will increase support for the organization.

This will affect funding and will increase the level of responsibility for the IRGC over that of the

conventional forces.

Military/Political The IRGC will continue to probe US interests

(regionally and globally) as well as conduct covert and clandestine operations utilizing proxies (Hezbollah) with the approval of President Ahmadinejad and

other former politically connected IRGC members.

Military/Economic The IRGC will continue to thrive with necessary

funding from embedded political supporters to

conduct its exportation of the 1979 Revolution model.

Military/Economic The Iranian military industrial complex will continue

to be economically beneficial for Iran. This income will be derived from the manufacturing and shipping of military hardware and equipment with the

supervision of the IRGC.

Military/Economic Depending on oil sales, Iran's economic outlook is

bleak. However, the IRGC will enjoy greater funding

for missile systems and the nuclear program.

Military/Social Social protests will further divide the military

institutions by forcing the hardline IRGC leadership to choose between the regime and the conventional

forces policy of not infringing on a legal protests.

Military/Social

Iranian society will continue to support the nuclear program, forcing a possible international response.

Military/Social

The Iranian IRGC and Basij will begin to severely suppress what they perceive as anti-Islamic or anti-regime party behavior.

Military/Information

The military organizational structure within Iran will begin a new comprehensive INFOWAR campaign to draw in new recruits, with a major emphasize on Islamic values, to gain soldiers that will stay beyond the 18-month conscription.

Military/Information

The military will attempt to utilize propaganda to demonize protestors and place responsibility on outside elements (such as the US) for causes of the public unrest.

Military/Information

The military will continue to support the nuclear program and rally support from Iranian society.

Military/Infrastructure

The military will continue to build the nuclear program, such as with secret, new underground bunker sites. NIE (2007) states it is likely that between 2010 and 2015 Iran will have the ability to create a functional nuclear weapon.

Military/Infrastructure

The military will also work on numerous logistical warehouses in order to support military operations (external and internal).

Military/Infrastructure

The ballistic missile program will also be a priority for the IRGC. Iran will have a missile system that has the capabilities of targeting US interests in the region as well as the US.

Military/Physical Environment

The military complex will expand and require new buildings and natural resources (land and water) for the nuclear program.

#### Military/Physical Environment

The military industrial complex will increase the production frequency for equipment, which will have a negative effect on the already poor air quality along with other environmental issues, especially in the urban settings.

#### Military/Physical Environment

The military will continue to utilize the natural physical environment of Iran to hide troops as well as missile systems. The Iranians will keep their rockets mobile and mask movement with the mountainous terrain.

#### Military/Time

The nuclear program will be addressed by the global community, either through negotiation or the use of force.

### Military/Time

The IRGC will be the dominate player in the Iranian military complex.

#### Military/Time

The IRGC will continue to fund its operations will the use of weapons sales to radical groups globally.

## Trends for the Economic Variable Operationalized to Iran

(Trends based on three-year timeline)

## <u>Variable Interaction</u> <u>Trends across the PMESII – PT Variables</u>

Economic/Political The economic downturn will put pressure on Iranian

leadership through a reduction in oil export revenue and a reduction of revenue in the Oil Stabilization Fund used to finance President Ahmadinejad's

economic expansionist policies.

Economic/Political The economic downturn will cause an increase in

unemployment due to the loss of oil export funds. This unemployment backlash could join with the political unrest from the presidential elections in 2009 to

create a broader reform movement.

Economic/Political Iran will draw closer to East Asia due to the Asian

countries' continued need for oil. Consequently, Iran will increasingly rely on a close relationship with

these countries in the international political regime.

Economic/Military

The economic downturn and the lack of revenue will

force Iran to focus on high-profile items for development (missile systems), in lieu of broad-based

military modernization.

Economic/Military The economic downturn will help the Iranian military

due to the willingness of trading partners to skirt international sanctions and trade with Iran in order

to further their own revenue stream.

Economic/Military Depleted revenue for the military will force the

political leadership to funnel money to organizations

that support their agenda, i.e. IRGC and Basij.

Economic/Social The global economic downturn will push

unemployment up in Iran, as it receives reduced

income from the oil trade to support its expansionary economic policies.

Economic/Social

A poor economy could link economic dissatisfaction with political unrest to create a more broad-based reform movement.

Economic/Social

Economic troubles will fuel unrest, particularly in the universities, while rural regions will remain supportive of the regime; the urban/rural split will widen.

**Economic/Information** 

While an economic downturn exists, it will likely not affect the growth of information and communication technologies (ICTs) as telecommunications and Internet-based industries continue to expand among the large youth market.

**Economic/Information** 

The Iranian leadership will try to control the bad economic news as best as possible, but will face an increasingly harder time. Accurate economic data will continue to remain insufficient and incomplete, in order to avoid public knowledge of the true situation. This dearth of information will allow the government more control over the economic message (who's to blame, etc.).

Economic/Infrastructure

Iran will continue to push development of natural gas fields as its source for domestic power supply. Other areas will be cut in order to continue development of this sector of the economy.

Economic/Infrastructure

Iran's oil infrastructure might actually receive a bit of a boost as countries skirt sanctions to help Iran develop its infrastructure in return for access to oil.

Economic/Infrastructure

Other infrastructure projects will suffer as the government continues to push the South Pars field to reap its resources. The South Pars field remains central to the government's plan to make Iran an energy independent country.

#### **Economic/Physical Environment**

The government will spend economic revenue on expansion and development, but little on revitalization or clean up. Old equipment beyond repair will not likely undergo any sort of industrial scale cleanup.

#### **Economic/Physical Environment**

The government will continue to emphasize petroleum based industries and devote limited resources in renewable energy. Renewable sources will receive good press, but lose out due to the ease with which the established industries can reap the resources and spread the benefits they posses.

### **Economic/Physical Environment**

Economic development programs will focus on fossil fuel resource development, and leave agricultural resources at a static level, not increasing yields significantly. Consequently, Iran will remain an agricultural goods importer, particularly among grain crops.

#### Economic/Time

Any downswing in oil export revenue will prove temporary simply due to population growth and its consequent increase in demand by East Asian countries.

#### Economic/Time

The economic infrastructure (wells and pipelines) of natural gas for domestic consumption will continue to increase and adequately supply ever-increasing domestic needs.

#### Economic/Time

In the near term, subsidies and other expenditures will stress the economic resources, until the global market for oil rebounds, which may not happen for one to two years.

## Trends for the Social Variable Operationalized to Iran

(Trends based on three-year timeline)

<u>Trends across the PMESII - PT Variables</u>

Iran OFA - Tronds Analysis	April 2010 2 10
Social/Economic	Decreasing economic prospects will hurt both Iran's political and social stability as more Iranians struggle to find jobs.
Social/Military	Military institutions will likely feel threatened by movement to a more open society. Tensions between the military and the population may increase and spill over into the general reform movement in Iran.
Social/Military	The "youth bulge" may produce more young males for mandatory service. Conversely, the youthful population of Iran may attempt to reduce the power of traditional sources of state power and fight such service.
Social/Military	More traditional military institutions (IRGC and Basij) may feel threatened by social unrest and increase their "clamp down" on such unrest. Violence and political repression may spread across Iran.
Social/Political	Over the longer term, continued/increasing social unrest/protest will force political redirection of Iran to a more open society. Such change could lead to more acts of violence coupled with tighter state control.
Social/Political	The political role of women in Iran will continue to expand, ushering in permanent social change for women. Entities threatened by this will likely fight back, resulting in civil unrest and violence.
Social/Political	In the near term, social unrest will lead to increased attempts by the state to control/crack down on demonstrations of unrest and political reform in Iran. Civil tensions and violence will continue.

**Variable Interaction** 

Social/Economic

If the state attempts to curtail its large state subsidies (gas), social outcry will likely follow. Such tensions and backlash will also feed the general reform movement in Iran.

Social/Information

Those that seek to change the "closed" nature of Iranian society will search for new forms of communication outside the control of government entities.

Social/Information

Government entities that sense a loss of control of the information environment in Iran will institute tighter control on or cut off access to new forms of media. Demonstrations will likely follow.

Social/Information

Censorship in Iran will likely continue or even increase in an attempt to stifle the reform movement.

Social/Infrastructure

Lack of affordable housing in key urban centers will lead to social protest.

Social/Infrastructure

Trends of rural to urban migration will continue. Such growth will stress urban infrastructure.

Social/Physical Environment

Unless aggressively addressed, extreme pollution problems will continue across Iran. Business and government institutions will feel economic impact if forced to close due to excessive pollution.

Social/Physical Environment

Major natural disasters such as earthquakes and floods could force social movement across Iran and strain already over-taxed infrastructure.

Social/Time

The youth of Iran will not be silenced. Government entities will continue to be challenged by calls for a more open and democratic government.

Social/Time

Government crackdown of reform will be met with a counter force of social unrest. Demonstrations and violence will follow.

## Trends for the Information Variable Operationalized to Iran

(Trends based on three-year timeline)

Variable Interaction	<u>Trends across the PMESII - PT Variables</u>
Information/Political	The Reform Movement will continue to use the Internet as its prime venue for public operations; conversely, the Iranian government will attempt to limit Reform Movement activities by filtering content and arresting those posting information to the Internet.
Information/Political	The Iranian government will continue to use a mixture of appeals to Shia Islamic religiosity and Iranian nationalism to rally support.
Information/Political	It is likely that the Iranian external political message will focus on building a broad front against the expansion of the sanctions regime by attempting to portray Iran as "persecuted" by the "Imperial" US and reaching out to emerging powers like Brazil, Russia, and China for support.
Information/Military	The Iranian military will continue to adapt and exploit INFOWAR as a critical element to their national unconventional warfare strategy.
Information/Military	Iranian intelligence operations (support to terrorist proxies, sanctions circumvention) will continue to support larger Iranian military goals and strategy.
Information/Military	Iranian intelligence operations will likely leverage existing OSINT, HUMINT, and SIGINT programs, and will develop a working IMINT program (probably based on UAVs).
Information/Economic	Iran will attempt to delink efforts to modernize its oil and natural gas sector from its nuclear weapons program. This will allow Western technology to enable

increased Iranian oil and gas production, without the oil/gas technology being hobbled by UN sanctions.

Information/Economic

Iran will continue to develop its telecommunication and computing hardware/software industries, especially those with dual-use capability.

Information/Economic

The Iranian space launch/communications satellite program will be a dual use program to develop Intercontinental Ballistic Missiles (ICBMs.)

Information/Social

The Iranian government will use a number of messages attempting to rally ethnic minorities with Iran, especially Baluchis and Azeris. An example of this was recent IRGC-led tribal outreach (that itself was kinetically targeted by Baluchi Jundallah separatists).

Information/Social

The penetration of information and communication technology (ICT) into Iranian society will mean that Iranians will continue to be among the most educated and informed citizenry in the Middle East, despite high levels of Iranian government censorship.

Information/Social

Access to information will continue to mobilize significant elements of the Iranian population, notably the young and urban population, toward Reform and other anti-government movements.

Information/Infrastructure

Modern mobile communications and broadband technologies will become available, despite government efforts to limit such technologies.

Information/Infrastructure

Iranians will continue to search for information mechanisms (proxy filter, VSAT) that allow them to freely search the Internet.

Information/Infrastructure

The Iranians are likely to invest in a number of communications satellites to provide more information outlets for the government and a means to test their missile program.

#### Information/Time

The Iranian reform movement will be aggressively attempting to graft their message onto important themes in Iranian history (martyrdom, victimization).

#### **Information/Time**

Iranian reformers will be able to get their message and footage out to the global media in a more polished and effective way.

#### **Information/Time**

The INFOWAR between the reform movement and the government will be the most important public venue of the struggle between Iranians and their government.

## Trends for the Infrastructure Variable Operationalized to Iran

(Trends based on three-year timeline)

## <u>Variable Interaction</u> <u>Trends across the PMESII – PT Variables</u>

Infrastructure/Political The Iranian nuclear program will be a prime rallying

point for Iran; the political rhetoric will point to Iranian "National Greatness," requiring a nuclear power program, and will attempt to link both internal and external opponents of the Iranian nuclear

weapons program to bogeymen of Iranian history.

Infrastructure/Political The Iranian dependency on gasoline imports, and

Iranian government subsidy of gasoline prices, will continue to put pressure on the Iranian government to

continue the subsidy or face popular backlash.

Infrastructure/Political Iranian natural gas exports will become the prime

revenue stream of the country as oil field depletion and obsolete extraction infrastructure limit the

productivity of the Iranian oil sector.

Infrastructure/Military The Iranian government will continue to develop

defense industries to enable increasing self-sufficiency

in arms production.

Infrastructure/Military The Iranian military will remain dependent on

civilian infrastructure (roads, sealift, rail, air) for a

great portion of its logistics support.

Infrastructure/Military Defending Iranian oil and gas infrastructure will be a

prime consideration in Iranian defense planning.

Infrastructure/Economic Infrastructure improvement will continue as a prime

target of Iranian public spending. Iranian private infrastructure spending will be in real estate,

including residential and commercial.

Infrastructure/Economic

The ability of the Iranian oil and gas infrastructure to fuel or subsidize other Iranian industries will be a prime determinant of overall Iranian economic success.

Infrastructure/Economic

The development of the natural gas exploitation sector will have significant impact on the Iranian economy.

Infrastructure/Social

The improvement of infrastructure in rural areas will be used to "smooth over" differences with minority ethnic groups, like the Baluchi.

Infrastructure/Social

The increase in urban infrastructure will reinforce the urbanization of Iranian society.

Infrastructure/Information

Modern mobile communications and broadband technologies will become available, despite government efforts to limit such technologies.

Infrastructure/Information

Iranians will continue to search for information mechanisms (proxy filter, VSAT) that allow them to freely search the Internet.

Infrastructure/Information

The Iranians are likely to invest in a number of communications satellites to provide more information outlets for the government and a means to test their missile program.

Infrastructure/Physical Environment

The mountainous terrain of Iran will continue to present challenges in the creation of adequate physical infrastructure.

Infrastructure/Physical Environment

The Iranians will continue to aggressively pursue hydroelectric power.

Infrastructure/Physical Environment

The Iranians will be pursuing pipeline links with other nations to lessen their dependence on tankers for oil and gas export.

#### Infrastructure/Time

The Iranian nuclear program will be seen by many Iranians as an element of their historic great power status.

#### Infrastructure/Time

Increasing urbanization will probably outpace the rate of infrastructure development.

## Trends for the Physical Environment Variable Operationalized to Iran

(Trends based on three-year timeline)

## Variable Interaction Trends across the PMESII - PT Variables

Physical Environment/Political Iran will keep its troops on Abu Musa Island and the

Tunb Islands. Border disputes over the islands' ownership will continue between Iran the United Arab Emirates (UAE). A conflict over the territories could lead to a blockade of the Strait of Hormuz and affect oil distribution to countries around the world.

Physical Environment/Military Military forces that deploy in Iran must prepare for

harsh terrain, extreme temperatures, and air and

water pollution.

Physical Environment/Military Insurgent groups will use Iran's difficult natural

physical environment as a safe haven and to smuggle

fighters and weapons.

Physical Environment/Economic Iran's economy will continue to depend heavily on

maritime commerce. The development and reconstruction of ports in the northern region will

bring more business and boost the economy.

Physical Environment/Economic The frequent earthquakes and floods will affect Iran's

natural resources production and agriculture output.

Physical Environment/Social Due to favorable climate and terrain, northern and

western Iran will remain more densely populated

than the arid eastern region.

Physical Environment/Social As Iran continues to develop; air and water pollution

will continue to have serious consequences on people's

health throughout the country.

#### Physical Environment/Social

Western economic sanctions against Iran could lead to humanitarian crises, especially in areas with harsh terrain and low agriculture production.

#### Physical Environment/Information

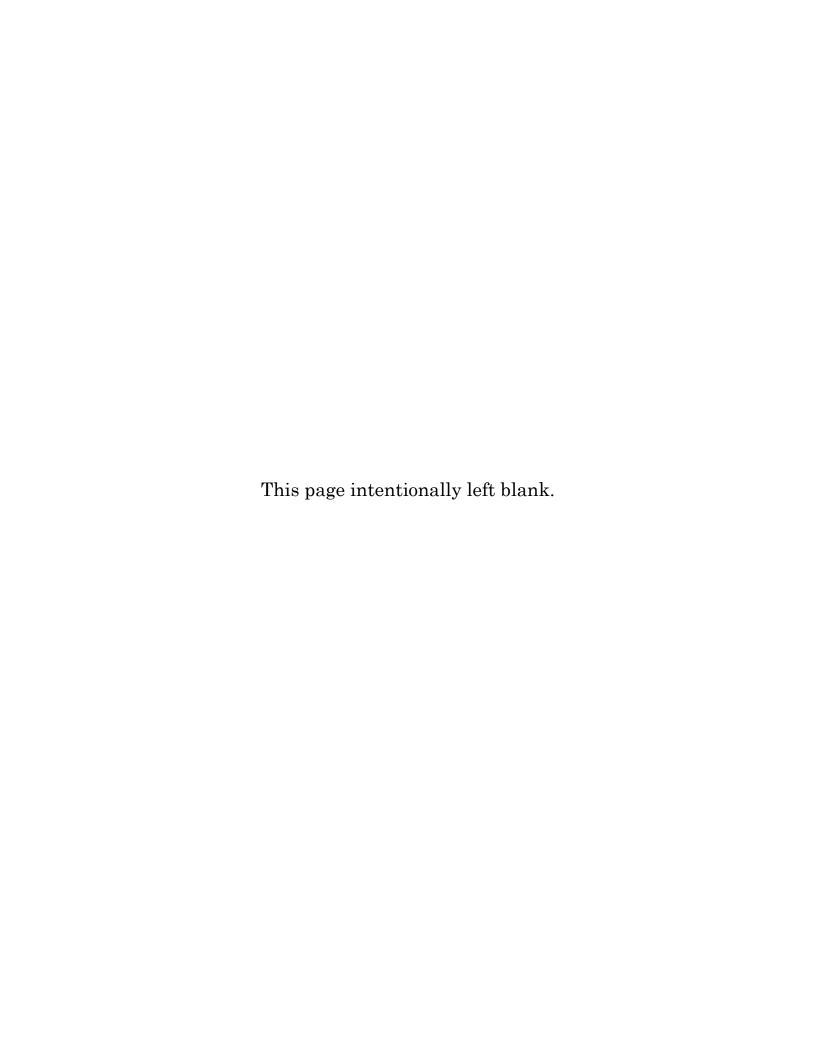
The Iranian government will emphasize the country's cellular networks' expansion and will continue to control radio and television broadcast through the Ministry of Post, Telegraph, and Telephone.

#### Physical Environment/Infrastructure

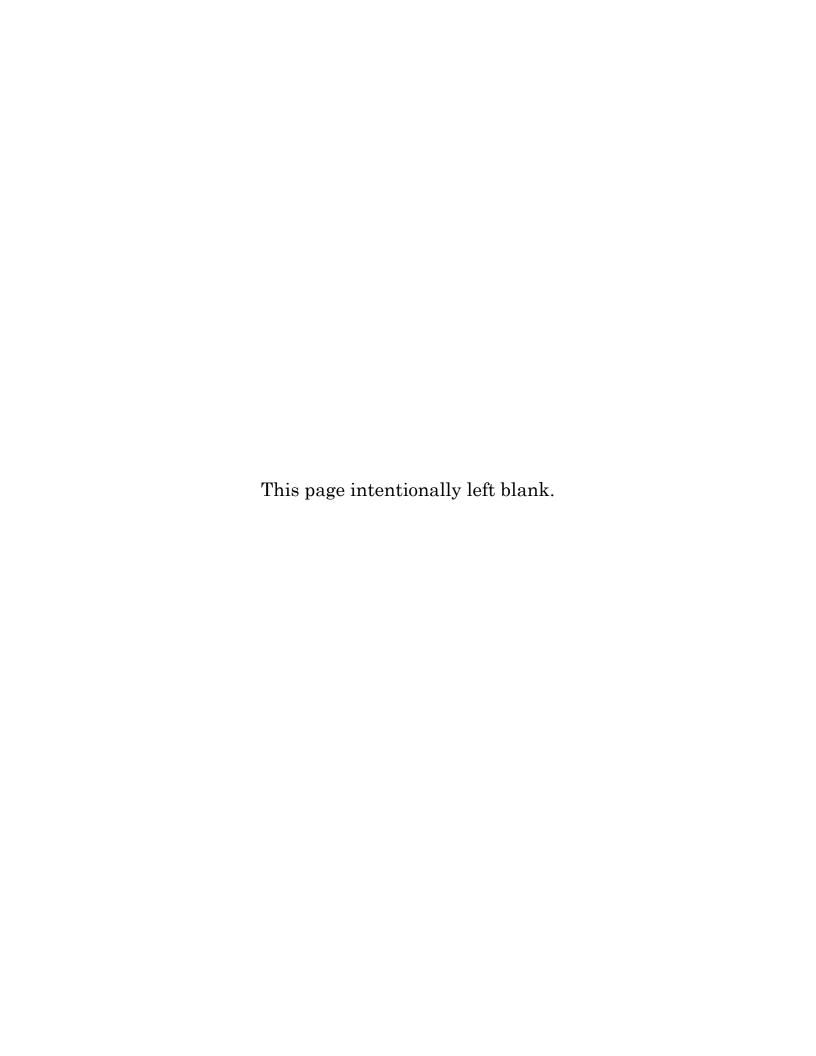
The rugged terrain and severe climate in Iran will continue to hamper highway construction and maintenance.

#### Physical Environment/Time

The Strait of Hormuz will remain the most important oil chokepoint in the world due to its daily oil flow.



# **SECTION 3: EVENTS LIST**



# **EVENTS LIST-IRAN**

## POLITICAL

<u>Event</u>	Location	<u>Details</u>
Ahmadinejad's election	Tehran	6 August 2009: Ahmadinejad is sworn in for a second term. The ceremony was boycotted by numerous members of parliament, leading clerics and others. "Outside parliament in central Tehran, where the oath was administered, hundreds of opposition supporters crowded around a ring of riot police and Basij militiamen preventing protesters from approaching the building." <a href="http://www.homeoffice.gov.uk/rds/country">http://www.homeoffice.gov.uk/rds/country</a> reports.html#countries
High-ranking political figures arrested	Tehran	1 August 2009: "For the first time since Iran's 1979 Islamic Revolution, dozens of high-ranking officials including former vice presidents, ministers, and lawmakers, are on trial in the Islamic state. Iran's official IRNA news agency did not specify how many defendants were in the courtroom as the trial opened on August 1. But the semi-official Fars news agency said more than 100 defendants were being tried for alleged involvement in street protests following the disputed June 12 presidential election." <a href="http://www.rferl.org/content/Prominent Iranian Reformists Go On Trial/1790377.htmlUH">http://www.rferl.org/content/Prominent Iranian Reformists Go On Trial/1790377.htmlUH</a>
Pro-government demonstrations	Tehran	Dec 2009: IRNA said about 700 pro-government students gathered at Azad University protesting against an "insult" to the Islamic republic's late founder, Ayatollah Ruhollah Khomeini, during opposition demonstrations on December 7. 2009: They chanted slogans, including "Death to America."
Opposition protestors arrested	Tehran	Dec 2009: Iranian authorities has arrested several people for tearing up of a picture of the Islamic republic's late founder Ayatollah Ruhollah Khomeini during antigovernment protests in Tehran. The prosecutor also said there would be "no mercy towards those who insulted the founder of the revolution." <a href="http://www.rferl.org/content/Iran Makes Arrests Over Torn Khomeini Picture/1903268.html">http://www.rferl.org/content/Iran Makes Arrests Over Torn Khomeini Picture/1903268.html</a>
Opposition protestors killed	Tehran	27 Dec 2009: At least eight protesters are dead following anti-government protests in Tehran; in addition 300 reported arrested. <a href="http://news.bbc.co.uk/2/hi/middle-east/8433991.stm">http://news.bbc.co.uk/2/hi/middle-east/8433991.stm</a>
Pro-government demonstrations	Tehran, Shiraz, Qom	30 Dec 2009: Tens of thousands of Iranians have protested in favor of their government in major cities across the country, following recent opposition protests. Government supporters marched in Tehran, Shiraz, Qom and elsewhere, chanting "Death to opponents!" The rallies - reportedly organized by the government - were a response to the recent opposition demonstrations.
Cooperation with international organizations and		4 Jan 2010: Iran has banned its citizens from cooperating with 60 international organizations and a number of media outlets due to their "involvement" in the post-election unrest. "Deputy intelligence minister for foreign affairs announced that 60 European and US foundations and institutions played a role in inciting post-election violence in the Islamic Republic. <i>Cooperating and signing contracts with these foundations</i>

Increased calls for action against anti-government forces		and institutions, which are conducting soft warfare against Iran, is illegal, and receiving facilities from them is also prohibited, he said. He urged Iranian citizens to avoid any unusual relations with these organizations and with foreign embassies and nationals. He went on to say that institutions and media outlets like BBC and VOA are trying to help efforts to overthrow the Islamic Republic. The Soros Foundation, the National Endowment for Democracy (NED), the National Democratic Institute (NDI), the East European Democratic Centre (EEDC), Wilton Park, the Smith Richardson Foundation, and the United States' National Defense University are some of the institutions and foundations on the Intelligence Ministry list of banned organizations. In addition, the Human Rights Watch, Freedom House, and Yale University. A number of Farsi-language media, including RFE/RL's Radio Farda, the BBC, VOA, and Radio Zamaneh, which is based in the Netherlands, were also singled out by the Intelligence Ministry. A deputy intelligence minister for international affairs, whose name was not given, accused the groups of working against the Iranian regime and said that contacts and cooperation with them were banned." <a href="http://www.irannewsdaily.com/view news.asp?id=195060">http://www.irannewsdaily.com/view news.asp?id=195060</a> 11 Jan 2010: Iran's Supreme Leader Ayatollah Ali Khamenei has told the security forces to take firm action against anti-government protesters.
Opposition protests during Ashura	Tehran and other cities across Iran	27 Dec 2009: Iranian protesters poured into Tehran and several major cities in defiance of the Iranian government on Sunday, as large crowds gathered for Ashura, a major religious observance.
Mousavi's nephew killed in opposition protest during Ashura		Dec 2009: Mr Mousavi's nephew, Seyed Ali Mousavi, was one of at least eight people who were killed in a brutal crackdown on anti-government protests on 27 December. He was shot in the back as security forces fired on demonstrators in Tehran, his uncle's website said.
Exiled religious leaders call for resignation of Ahmadinejad		3 Jan 2010: Five exiled religious intellectuals issued a 10-point manifesto calling for the resignation of Ahmadinejad. It calls for the abolishment of clerical control of the voting system and candidate selection, replacing it with an independent voting commission that includes the opposition and protesters. The authors also demand the release of all political prisoners and recognition of law-abiding political, student, nongovernmental and women's groups as well as labor unions. They call for an independent judiciary, including popular election of the judicial chief, and freedom for all means of mass communication. The five authors include philosopher Abdulkarim Soroush, the father of the reform movement; dissident cleric Mohsen Kadivar; former parliamentarian and Islamic Guidance Minister Ataollah Mohajerani; investigative journalist Akbar Ganji, who was imprisoned for six years for reporting on regime corruption; and Abdolali Bazargan, an Islamic thinker and son of a former prime minister.
University professors issue political		4 Jan 2010: 88 professors from Tehran University called on Iran's supreme leader, Ayatollah Ali Khamenei, to end violence against the opposition, which they described as a sign of the regime's weakness. They also daringly demanded that the supreme leader order the release of detained students and called for the

statement	prosecution of those who harassed, beat, detained or tortured in prison the protesters.
Iran government report criticizes post-election detentions	10 Jan 2010: A committee of the Iranian parliament has made a rare official criticism of treatment of opposition detainees held in the wake of the disputed election. The report said three detainees died at the notorious Kahrizak detention, and it blamed the former Tehran prosecutor. The report is heavily critical of the way detainees were sent to the centre, despite a lack of space and facilities. The report strongly denies a number of other allegations that opposition detainees have been raped, and otherwise mistreated in custody. <a href="http://news.bbc.co.uk/2/hi/middle-east/8451009.stm">http://news.bbc.co.uk/2/hi/middle-east/8451009.stm</a>
Supreme Leader warns opposition	19 Jan 2010: Khamenei warned the opposition that it should "distance itself from the Islamic republic's Western enemies. Iranian authorities are concerned about possible demonstrations/riots on 11 Feb 2010, when Iran marks the 31st anniversary of the 1979 Islamic Revolution. <a href="http://www.rferl.org/content/Iran Leader Warns Opposition Ahead Of Revolution Day/1933804.html">http://www.rferl.org/content/Iran Leader Warns Opposition Ahead Of Revolution Day/1933804.html</a>
16 Ashura Day protestors put on trial	30 Jan 2010: Iran has put 16 protestors on trial for anti-government activities. "Five of the defendants are charged with "waging war against God" while the others are accused of public order and national security offences." All the arrests stemmed from protests on 27 Dec 2009 when Shiite Muslims gathered for the religious festival of Ashura. <a href="http://news.bbc.co.uk/2/hi/middle-east/8489012.stm">http://news.bbc.co.uk/2/hi/middle-east/8489012.stm</a>
Nine to be executed	02 Feb 2010: "Nine more dissidents will be executed soon, a senior member of Iran's judiciary declared, as the regime stepped up its efforts to deter another huge opposition rally planned for next week." "Analysts said the regime was clearly trying to deter opposition supporters from taking to the streets on February 11, but Mr Mousavi, whose nephew was one of a dozen people killed during the last big opposition demonstrations on December 27, appears to be growing increasingly defiant and outspoken." http://www.timesonline.co.uk/tol/news/world/middle_east/article7012230.ece
Mousavi vows to continue his fight against the regime	02 Feb 2010: Mousavi said he will "continue his struggle against the government. In a statement posted on his website, he said the 1979 Islamic revolution had failed to achieve most of its goals." He also stated that "politically motive arrests of protesters were illegal and more should be done to secure people's rights." <a href="http://news.bbc.co.uk/2/hi/middle_east/8492941.stm">http://news.bbc.co.uk/2/hi/middle_east/8492941.stm</a>
Iran willing to ship enriched uranium abroad	03 Feb 2010: Ahmadinejad announced today that, "Iran had "no problem" shipping enriched uranium abroad in a swap deal that that Teheran had resisted for months." The surprise announcement came as the West prepared to ask Russia and China to back new UN sanctions targeting Iran's energy sector, central bank and Revolutionary Guards - the first new UN sanctions since March 2008.  http://www.timesonline.co.uk/tol/news/world/middle_east/article7014112.ece
Opposition leader denounces current regime	03 Feb 2010: Opposition leader Mehdi Karrubi criticized the current Iranian government, saying "remnants of the "tyranny" and "dictatorship" that prevailed under the toppled Shah of Iran's regime persist today." The statement appearing on Mousavi's website denounced "tyranny, arrests and imprisonment of journalists, students and political activists, show trials, executions, and heavy-handed sentencing of those who are unjustly and wrongly accused as well as a greatly increased military environment." Karrubi urged "all people to participate in the anniversary ceremonies and "strive to seek all of the achievements and

		hopeful values that have either been forgotten by many or have been replaced by perversions." <a href="http://www.cnn.com/2010/WORLD/meast/02/03/iran.karrubi/">http://www.cnn.com/2010/WORLD/meast/02/03/iran.karrubi/</a>
		http://www.chii.com/2010/WORD/measu02/05/11aii.kai1usi/
Iran arrests activists before expected protests	Dubai, UAE	10 Feb 2010: Activities are being arrested prior to possibly anti-government demonstrations on the anniversary of the Islamic Revolution (11 Feb). "Iranian authorities are desperate to show the upper hand on the most important day of the nation's political calendar. But the high-profile events — including a huge gathering in Tehran's Azadi Square and other places across Iran — offers a chance for opposition groups to
		make another powerful statement of their resolve." <a href="http://www.google.com/hostednews/ap/article/ALeqM5ixeFBxfLzaSjs8Mb8cuFmtPOT6-wD9DPE3BG0">http://www.google.com/hostednews/ap/article/ALeqM5ixeFBxfLzaSjs8Mb8cuFmtPOT6-wD9DPE3BG0</a>
Iran pronounces it is a nuclear state		11 Feb. 2010: In a speech celebrating the 31st Anniversary of the Islamic revolution, Ahmadinejad "announced that the Islamic republic has produced its first highly enriched uranium just two days after beginning the process. He proclaimed that Iran was now a "nuclear state." <a href="http://www.rferl.org/content/Protests Expected As Iran Marks Revolution Day/1954650.html">http://www.rferl.org/content/Protests Expected As Iran Marks Revolution Day/1954650.html</a>
Opposition protests across Iran		11 Feb. 2010: Despite aggressive government actions prior to 11 Feb. to crack down on potential protestors – the opposition was able to organize several protests across Iran. "Sporadic clashes were reported between pro-government forces and opposition supporters." Police and military forces were out in force to disperse opposition rallies. <a href="http://www.rferl.org/content/Protests">http://www.rferl.org/content/Protests</a> Expected As Iran Marks Revolution Day/1954650.html

## **MILITARY**

<u>Event</u>	Location	<u>Details</u>
Sunnis executed	Zahedan	14 July 2009: "Iran executed 13 members of a Sunni Muslim rebel group by hanging on Tuesday morning in a prison in the southeastern city of Zahedan, the country's state news agency reported." <a href="http://www.telegraph.co.uk/news/worldnews/middleeast/iran/5829475/Iranexecutes13-Sunni-Muslim-rebels.html">http://www.telegraph.co.uk/news/worldnews/middleeast/iran/5829475/Iranexecutes13-Sunni-Muslim-rebels.html</a>
Nuclear weapons		15 Jan 2010: Recent report in <i>Newsweek</i> states that the US intel community is preparing to release an update to the 2007 Iranian NIE. "The officials, who asked for anonymity to discuss sensitive information, say the revised report will bring U.S. intel agencies more in line with other countries' spy agencies (such as Britain's MI6, Germany's BND, and Israel's Mossad), which have maintained that Iran has been pursuing a nuclear weapon." The report continues, "U.S. analysts now believe that Iran may well have resumed "research" on nuclear weaponstheoretical work on how to design and construct a bombbut that Tehran is not engaged in "development"actually trying to build a weapon." <a href="http://blog.newsweek.com/blogs/declassified/archive/2010/01/15/coming-around-on-iran.aspx">http://blog.newsweek.com/blogs/declassified/archive/2010/01/15/coming-around-on-iran.aspx</a>
Iran test-fires long-range missile		16 Dec 2009: Iran successfully test-fired a long-range missile the improved Sejil-2. Al-Alam, Iran's Arabic-language satellite television, said the two-stage, solid fuel Sejil missile had a longer range than the Islamic republic's Shahab model. <a href="http://www.rferl.org/content/Iran TestFires Missile Amid Nuclear Tension/1905354.html">http://www.rferl.org/content/Iran TestFires Missile Amid Nuclear Tension/1905354.html</a>
Joint military exercises with Oman		Dec. 2009: Iran conducted joint military exercises with Oman in the Persian Gulf. The drill, which sought peaceful purposes and the security of Persian Gulf, had achieved its goals, the report said without providing sources. The report also did not give the details and the date of the military exercises. <a href="http://english.people.com.cn/90001/90777/90854/6852224.html">http://english.people.com.cn/90001/90777/90854/6852224.html</a>
Iranian troops seize Iraqi oil well	Fakkah, Iraq	18 Dec 2009: Iranian troops entered southern Iraqi territory for control of an oil well. "Iranian soldiers crossed the border and raised an Iranian flag over the Fakkah oil field". But an Iranian oil company spokesman denied the accusation, saying no troops had taken control of any oil well. "The company denies Iranian soldiers taking control of any oil well inside Iraqi territory." <a href="http://news.bbc.co.uk/2/hi/8420774.stm">http://news.bbc.co.uk/2/hi/8420774.stm</a>
Booby-trapped motor cycle		13 Jan 2010: Masud Ali Mohammadi (leading nuclear physics professor) was killed by a booby-trapped motorbike as he left his home in the capital. Iran has accused the US and Israel of involvement in the attack. Radio Farda has spoken to people in Tehran who say Mohammadi had backed opposition leader Mir Hossein Musavi, and the professor's name appeared on a blog of Musavi backers.

Revolutionary Guards launch websites		Dec 2009: The Revolutionary Guards launches internet websites for three of its internal journals: <i>Payam</i> , <i>Hosoun</i> , and <i>Morabian</i> . <a href="http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009">http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009</a>
Revolutionary Guards attack Green Movement		Dec 2009: Yadollah Javani, Revolutionary Guards Political Directorate Chief, in a leading article in Sobh-e Sadegh accuses the Green Movement of trying to "eradicate Islam, the revolution, Guardianship of the Jurist and Imam [Khomeini] from the [political] arena." <a href="http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009">http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009</a>
New generation of satellites to be launched next year		Dec 2009: Defense Minister Ahmad Vahidi says a new generation of satellites will be launched next year. <a href="http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009">http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009</a>
Iraq influence in recent Iranian election		Dec 2009: Abdollah Eraghi, Revolutionary Guards Ground Forces Deputy, says the "footprint of those countries that supported Saddam [during the Iran/Iraq war] is visible in the post- election unrest in Iranand terrorist acts" <a href="http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009">http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009</a>
Iranian arrested in Afghanistan	Heart Province	Dec 2009: Afghan border guards have arrested three Iranian nationals with weapons and narcotics in Herat Province. <a href="http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009">http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009</a>
Assassination of Iranian state prosecutor	Khoy ( near the Turkish border)	19 Jan 2010: Iranian state prosecutor, Vali Hajgholizadeh, was assassinated in his hometown of Khoy. He had a reputation for "fighting corruption." "Local officials" claim that a Kurdish separatist group is responsible for the killing. The Free Life Party of Kurdistan (PJAK) claimed responsibility for the attack. <a href="http://news.bbc.co.uk/2/hi/middle_east/8467263.stm">http://news.bbc.co.uk/2/hi/middle_east/8467263.stm</a>
Iran denies Russian over flight access		19 Jan 2010: Iran has barred Russia from using its airspace. "A Su-27 bound for Bahrain (air show) was denied passage over Iran as it neared the border even though its flight plan had been cleared in advance by Iran's Foreign Ministry, the Russian ministry said. <a href="http://www.rferl.org/content/Iran_Blocks_Russia_Fighter_Overflight_Access/1934001.html">http://www.rferl.org/content/Iran_Blocks_Russia_Fighter_Overflight_Access/1934001.html</a>
Iran warns of potential threat to Western ships in the Gulf		19 Jan 2010: Iran's defense minister has warned that "the Islamic Republic could strike back at Western warships in the Gulf if it were attacked over its nuclear program." He went on to say that "there were now more than 90 war vessels in the Gulf — a waterway crucial for global oil supplies — and that they had created a "military environment" there. <a href="http://www.rferl.org/content/Iran Says May Hit Western Warships If Attacked/1933545.html">http://www.rferl.org/content/Iran Says May Hit Western Warships If Attacked/1933545.html</a>
Iran denies link to weapons shipment	Tehran	02 Feb 2010: Iranian authorities deny the claims by Thailand that a plane load of North Korean weapons were headed to Iran. The plane was seized in Dec. 2009. A spokesman for Iran said, "Iran had no need to import such arms due to its own weapons industry, which includes rockets, tanks, jet fighters, light submarines and missiles." <a href="http://www.washingtonexaminer.com/world/iran-denies-any-links-to-north-">http://www.washingtonexaminer.com/world/iran-denies-any-links-to-north-</a>

		korean-weapons-seized-in-thailand-83343527.html#ixzz0ePbnZZ0k
Production of two new missiles announced		06 Feb 2010: Iranian Defense Minister announced that "two missiles with sophisticated capabilities will go into production at recently constructed facilities." "Defense Minister Ahmad Vahidi was also shown inaugurating missile production plants that will produce the new Qaem ground-to-air missile and the new Toofan-5 surface-to-surface missile. The Toofan-5, it noted, is designed to penetrate tanks and armored personnel carriers and the Qaem is designed to hit helicopters flying at low to medium altitude." <a href="http://www1.voanews.com/english/news/middle-east/Iran-Announces-Production-of-Two-New-Missiles-83708897.html">http://www1.voanews.com/english/news/middle-east/Iran-Announces-Production-of-Two-New-Missiles-83708897.html</a>
Sanctions against companies connected to the Islamic Revolutionary Guard	Washington, D.C.	10 Feb 2010: The US Treasury has imposed sanctions against companies connected to the Revolutionary Guards. "The action extends earlier sanctions against the Guards and its construction company headquarters. It aims to freeze the foreign assets of four companies connected to Khatam al-Anbiya Construction and its chief officer. The company's profits help fund Iran's nuclear and missile programmes. The company is the construction arm of the Revolutionary Guard." <a href="http://news.bbc.co.uk/2/hi/8509020.stm">http://news.bbc.co.uk/2/hi/8509020.stm</a>

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# **ECONOMIC**

<u>Event</u>	Location	$\underline{ ext{Details}}$
Swiss trader ends gasoline sales to Iran		11 Jan 2010: Swiss commodities trader, Glencore, has halted gasoline sales to Iran in part due to rising prospects of tougher sanctions against Tehran over its nuclear program. Due to inadequate refining capacity, Iran imports as much as 40% of its gasoline needs. Glencore had been supplying no more than 17,000 barrels per day of gasoline to Iran, a small portion of the country's typical import program of some 102,000 barrels per day. <a href="http://www.reuters.com/article/idUSSGE60A0CF20100111?type=swissMktRpt">http://www.reuters.com/article/idUSSGE60A0CF20100111?type=swissMktRpt</a>
Taiwanese company claims to have shipped Chinese technology to Iran		Jan 2010: Taiwanese firm has admitted fulfilling an order from a Chinese company to ship nuclear components to Iran. Report states that the Taiwanese company received an order from a Chinese firm in January or February 2008 to obtain an unspecified number of pressure transducers. These components convert pressure into analog electrical signals delivering precise measurements needed in the production of weapons-grade uranium. Transducers are also used in semiconductors, solar energy, and civilian nuclear work. According to David Albright, president of the Institute for Science and International Security in Washington, D.C., the equipment is probably for use in Iran's gas centrifuge program.  http://www.longwarjournal.org/threat-matrix/archives/2010/01/taiwanese company admits to sh.php
State subsides may be phased out		13 Jan 2010: Iran's top legislative body has approved a plan to phase out billions of dollars in state subsidies that currently keep the costs of energy and food low. The Guardians Council on approved President Mahmud Ahmadinejad's "Economic Reform Plan" intended to allow the prices of now-subsidized goods to reach normal market prices over the course of the next three to four years. Funding those subsidies currently account for 30% of the country's annual state budget. http://www.rferl.org/content/Iran Moves To Cut Popular Economic Subsidies Despite Political Risk/1929582.html
Iran seeks WWII reparations		9 Jan 2010: In a speech, Ahmadinejad called for "reparations" for the West's treatment of Iran during World War II. Iran served as a source of oil and a transit route for American war materials to reach the Soviet Union — what the Allies came to call their "victory bridge." For its role as "victory bridge Ahmadinejad says his country has never been compensated. <a href="http://www.rferl.org/content/Iran President Demands World War Reparations/1927565.html">http://www.rferl.org/content/Iran President Demands World War Reparations/1927565.html</a>
IRGC pulls billions from Foreign Reserve Fund		29 Dec 2009: Iran's Revolutionary Guard Corps is withdrawing a billion dollars from the country's Foreign Reserve Fund in order to complete Phases 15 and 16 of the gigantic South Pars gas project. This move has generated concern among Iranian analysts, who believe the move reveals the military organization's excessive power over Iran's economy. "In view of looming sanctions from the United States and the United Nations Security Council over Iran's nuclear program, the IRGC's control over the country's sensitive oil, and gas and nuclear industries could provoke a serious crisis." <a href="http://ipsnews.net/news.asp?idnews=49844">http://ipsnews.net/news.asp?idnews=49844</a>

Unemployment rate hits 11.3 % (Jan. 2010)	Jan 2010: The Statistics Center of Iran announced the country's unemployment rate rose to 11.3% in the third quarter of the calendar year (ended December 21, 2009), up 1.8% compared to the last year. <a href="http://www.iranwpd.com/">http://www.iranwpd.com/</a>
Housing construction	14 Jan 2010: The Minister of Housing and Urban Development said that the government is seeking to boost the housing market because 20% of job opportunities are in this market. Minister of Housing and Urban Development Ali Nikzad said "that one million persons are illegible and have registered for Mehr Housing Plan in the country. He said his Ministry has provided the required land for construction of houses and municipalities will construct 420,000 residential units for Iranian people." <a href="http://english.iribnews.ir/NewsBody.aspx?ID=6175">http://english.iribnews.ir/NewsBody.aspx?ID=6175</a>
Iranian share of "scientific production" increases	Jan 2010: Head of the biochemistry and biophysics research center of Tehran Dr. Ali Akbar Saboury claims that "Iran's scientific production" has been risen from 0.015% in 1993 to 1% percent in 2009 with over 17,000 articles in the Institute for Scientific Information (ISI). University said the Islamic Republic of Iran's share in scientific production in the world rose to one percent in 2009. <a href="http://english.iribnews.ir/NewsBody.aspx?ID=6170">http://english.iribnews.ir/NewsBody.aspx?ID=6170</a>
Global economic agreements increasing	Jan 2010: The Islamic Republic of Iran has signed agreement with sixty-seven countries for mutual support to investment. <a href="http://english.iribnews.ir/NewsBody.aspx?ID=6162">http://english.iribnews.ir/NewsBody.aspx?ID=6162</a>
Protestors use economic power with boycott of Nokia	July 2009: The mobile phone company Nokia is being hit by a growing economic boycott in Iran as consumers sympathetic to the post-election protest movement have started targeting numerous companies viewed as collaborating with the regime. Sales of Nokia handsets have fallen by as much as half in the wake of calls to boycott Nokia Siemens Networks (NSN) for selling communications monitoring systems to Iran. "The Iranian authorities are believed to have used Nokia's mobile phone monitoring system to target dissidents. Released prisoners claim that the authorities were keeping them in custody on the basis of their SMS and phone calls archive." <a href="http://www.guardian.co.uk/world/2009/jul/14/nokia-boycott-iran-election-protests">http://www.guardian.co.uk/world/2009/jul/14/nokia-boycott-iran-election-protests</a>
Iranian assets in foreign banks decrease	Dec 2009: Central Bank of Iran (CBI) has announced that the country's assets in foreign banks have showed a 12% decrease. According to the statistical figures issued by the CBI, Iran's assets in foreign banks have reached \$77.8 billion by August from \$88.5 billion at the same time last year. Government's obligations to the Central Bank rose by 2% to about \$13 billion. <a href="http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009">http://www.irantracker.org/roundup/iran-news-roundup-december-23-2009</a>
Iranian/Vietnames e economic relations increasing	Dec 2009: Vietnamese Prime Minister Nguyen Tan Dung called for an increase in his country's investments in Iran's oil and gas sectors, and welcomed endorsement of a bilateral free trade agreement between the two states. <a href="http://english.farsnews.com/newstext.php?nn=8810021038">http://english.farsnews.com/newstext.php?nn=8810021038</a>

Iranian/Afghanist an bilateral cooperation	Dec 2009: Afghanistan and Iran are trying to expand bilateral trade cooperation, especially in providing conditions for Iranian businessmen to invest in the private sector in Afghanistan. Trade between the two countries has now reached \$850 million a year, and over 30 Iranian companies are operating across Afghanistan.
Germany calls for more sanctions against Iran	19 Jan 2010: Chancellor Merkel states that Germany is preparing for possible further sanctions against Iran in the near term. "Germany has made clear that if Iran's reaction does not change, we will be working on a comprehensive package of sanctions," Merkel said at a joint news conference in Berlin with Israeli Prime Minister Benjamin Netanyahu. <a href="http://www.rferl.org/content/Merkel Calls For More Sanctions Against Iran/1932912.html">http://www.rferl.org/content/Merkel Calls For More Sanctions Against Iran/1932912.html</a>

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# SOCIAL

<u>Event</u>	Location	<u>Details</u>
Refugee return rate from Iran low		Dec 2009: The number of Afghan refugees who returned home from Pakistan and Iran in 2009 has dropped to the lowest level since 2002, according to the government and the UN Refugee Agency (UNHCR). The annual return rate from Iran was also low at 1,007 households (5,561 individuals), according to UNHCR. <a href="http://www.reliefweb.int/rw/rwb.nsf/db900SID/ACIO-7Z7FNS?OpenDocument&amp;rc=3&amp;cc=irn">http://www.reliefweb.int/rw/rwb.nsf/db900SID/ACIO-7Z7FNS?OpenDocument&amp;rc=3&amp;cc=irn</a>
Mosque of opposition leader closed by state	Shiraz	4 Jan 2010: Iranian authorities have locked the doors of the Ghoba Mosque in the southern city of Shiraz that is the base of an opposition ayatollah. It is reportedly the first time a Shiite mosque has been closed by the government in Iran. The closing of the mosque is apparently aimed at silencing Ayatollah Seyed Ali Mohammad Dastgheib, who is based there. <a href="http://www.rferl.org/content/Iranian Officials Close Opposition Ayatollahs Mosque/1920954.html">http://www.rferl.org/content/Iranian Officials Close Opposition Ayatollahs Mosque/1920954.html</a>
Increasing division within the clerical establishment		Jan 2010: Divisions within the "clerical establishment" have grown deeper. "Influential clergymen no longer want their religion to be tarred by a regime that would, among other things, punish mourners at services for Grand Ayatollah Hosein Ali Montazeri, in religious terms the most distinguished of the foes of the president, Ahmadinejad, and of the country's supreme leader, Ayatollah Ali Khamenei." <a href="http://www.docstoc.com/docs/20964534/The Economist 2010-01-02">http://www.docstoc.com/docs/20964534/The Economist 2010-01-02</a>
Tensions increase within clerical groups		8 Jan 2010: Iran said Saturday that the edicts of Ayatollah Yusuf Sanei were no longer religiously binding. The mandate has sparked serious disputes among clerical groups. <a href="http://www.csmonitor.com/World/Middle-East/2010/0106/Iran-move-to-defrock-dissident-ayatollah-opens-rifts-in-theocracy">http://www.csmonitor.com/World/Middle-East/2010/0106/Iran-move-to-defrock-dissident-ayatollah-opens-rifts-in-theocracy</a>
Sports figure forced to resign over email to Israel		Jan 2010: Iranian media reports say a sports officials has resigned after he e-mailed a New Year's greetings to members of the world soccer's governing body that was mistakenly forwarded to Israel's soccer federation. Mohammad Mansour Azimzadeh Ardebili sent the e-mail through the sport's governing body, FIFA. <a href="http://www.wopular.com/iranian-soccer-official-resigns-after-new-years-greetings-mistakenly-e-mailed-israel">http://www.wopular.com/iranian-soccer-official-resigns-after-new-years-greetings-mistakenly-e-mailed-israel</a>
Women taking more active political protest roles	Tehran	10 Jan 2010: 33 women's group members were arrested Saturday by Iranian security forces. The arrests made during a peaceful protest in a Tehran park, according to members of the group. This is the group formed by women whose children were killed/or are missing since the recent anti-government protests. <a href="http://edition.cnn.com/2010/WORLD/meast/01/10/iran.mourning.mothers/index.html">http://edition.cnn.com/2010/WORLD/meast/01/10/iran.mourning.mothers/index.html</a>
Social activists condemn state violence at Kahrizak Detention Center		Nov 2009: A group of 336 Iranian social activists issued a statement in the wake of the anniversary of the killing of dissident Darioush Forouhar, his wife, Parvaneh Eskandari and other victims of the so-called "chain of murders" in 1998, to condemn the current rampant violence against post-election protesters. The statement says that "State violence against dissidents, such as the violence post-election protesters suffered in Kahrizak detention centre, is a continuation of the violence perpetrated in the early days of the

	Revolution which has "heavily damaged" the political dialogue in Iran because its objective has been to eliminate the opposition." <a href="http://www.payvand.com/news/09/nov/1233.html">http://www.payvand.com/news/09/nov/1233.html</a>
Drug Addiction	Dec 2009. National Police Chief states that "addiction is the main and the most serious social disorder in Iran." He claimed that there are about 1.2 million drug addicts in Iran — which is 2.8% of the population between the ages of 15 and 64 — while the unofficial sources show that the figure exceeds 6 million. Based on the latest UN report, around 930,000 people in Iran consume heroin and opium while 5% consume other kinds of narcotics, bringing the total number of drug addicts to 1 million. <a href="http://www.tehrantimes.com/index View.asp?code=210144">http://www.tehrantimes.com/index View.asp?code=210144</a>
Anniversary of death of Neda Soltan	30 July 2009: "Hundreds of people, including some opposition leaders, gathered in Tehran's Behest Zahra Cemetery to mark the 40th day since the death of Neda Agha Soltan and remember other victims of the post election unrest at Neda's grave. Presidential candidate Mir Hossein Musavi was in attendance, though police later forced him to leave and began arresting demonstrators."  http://www.rferl.org/content/Mourners Gather To Honor Neda In Tehran Cemetery/1789075.html
Key cleric condemns government action	17 July 2009: "One of Iran's most powerful clerics, Hashemi Rafsanjani, attacked the Iranian government for its handling of the unrest that followed the disputed presidential elections. His sermon provoked more protests, followed by another crackdown." <a href="http://www.guardian.co.uk/world/2009/jul/17/iran-crisis-friday-prayers">http://www.guardian.co.uk/world/2009/jul/17/iran-crisis-friday-prayers</a>

Event	Location	<u>Details</u>
Imprisoned Iranian journalist wins award	Iran	17 Dec 2009: An imprisoned Iranian journalist has been awarded the prestigious Golden Pen of Freedom award for 2010 by the World Association of Newspapers and News Publishers (WAN-IFRA). "Ahmad Zeidabadi was tried in August 2009 on charges of plotting to overthrow the regime with a "soft revolution" and sentenced to six years in prison and given a lifetime ban on practicing his profession." <a href="http://www.rferl.org/content/Imprisoned Iranian Journalist Awarded Golden Pen Of Freedom/1906640.html">http://www.rferl.org/content/Imprisoned Iranian Journalist Awarded Golden Pen Of Freedom/1906640.html</a>
State TV broadcasts footage of opposition supporters trampling on a picture of Khomeini	Tehran	14 Dec 2009: Tension has increased in Iran since student backers of opposition leader Mir Hossein Musavi clashed with security forces armed with batons and tear gas in the largest such anti-government demonstration in months. "State television has broadcast footage of what it said were opposition supporters tearing up and trampling on a picture of Khomeini during the protests. The opposition has accused the authorities of planning to use the reported "desecration" of Khomeini's picture as a pretext for measures to uproot the reform movement." <a href="http://www.rferl.org/content/Iran Makes Arrests Over Torn Khomeini Picture/1903268.html">http://www.rferl.org/content/Iran Makes Arrests Over Torn Khomeini Picture/1903268.html</a>
Iranian officials close reformist newspaper		7 Dec 2009: Iranian authorities have shut down the reformist newspaper Hayat-e No (New Life). A Tehran court ruled that the newspaper violated Iranian laws on the media and therefore should be banned. Hayat-e No is known to be supportive of Iranian opposition leader and former presidential candidate Mir Hossein Musavi. <a href="http://www.rferl.org/content/Iranian Officials Shut Down Reformist Newspaper/1898635.html">http://www.rferl.org/content/Iranian Officials Shut Down Reformist Newspaper/1898635.html</a>
State propaganda efforts		Jan 2010: Iranian state television issues a documentary about the death of Neda Agha Soltan, a young Iranian woman who was shot dead during the June 2009 post election protests in Tehran, suggesting she was an agent of the US and Britain who staged her own death. <a href="http://www.globalsecurity.org/wmd/library/news/iran/2010/iran-100107-rferl01.htm">http://www.globalsecurity.org/wmd/library/news/iran/2010/iran-100107-rferl01.htm</a>
Chinese "netizens" support for Iranian protestors		Jan 2010: Since the recent demonstrations in Iran (Dec. 2009), dozens of Chinese "netizens" have joined the #iranelection Twitter community. They have added their own new hashtag, #CN4Iran, and even built a new site to support the struggle of the Iranian people, titled CN4Iran.org. http://globalvoicesonline.org/2010/01/10/iran-chinese-cyberactivists-support-iranians
Social networking site banned		5 Jan 2010: <u>Badoo</u> , a social network popular in Russia and Brazil, has been banned in Iran. As of December 2009 Badoo says it had broken the 50 million user mark globally, with 250,000 of those coming from Iran <a href="http://eu.techcrunch.com/2010/01/05/social-network-badoo-is-banned-in-iran/">http://eu.techcrunch.com/2010/01/05/social-network-badoo-is-banned-in-iran/</a>
Iran's PressTV distorts US reporting on		Jan 2010: Popular site misquoted by Iranian press. "The Long War Journal's reporting on the covert US air campaign in Pakistan has been widely cited in the media. Here is one cite we'd like to take back. Iran's PressTV has completely distorted The Long War Journal's data on the Pakistani air campaign in this report.

Pakistan airstrikes		Here is what $PressTV$ claims: The Long War Journal, a US website tracking the strikes, however, says the assaults have killed mostly civilians and have failed to target top militant leaders." "We've said no such thing. A simple reading of this Jan. 5 report by Alexander Mayer and me will show just the opposite. According to our data, less than 10 percent of the casualties reported are civilian."
Satellite and ICT projects announced		7 Jan 2010: "Iran's Minister of Communication and Information Technology Reza Taghipour announced Wednesday that his country will unveil some aero-space, communication and IT projects in February including a satellite. In the space sector, one of the projects (to be unveiled) is Student Satellite. Iran's President announced in Turkmenistan that Iran will unveil several hi-tech home-made satellites in February and the new satellites can orbit the Earth at higher altitudes." <a href="http://english.peopledaily.com.cn/90001/90777/90854/6861771.html">http://english.peopledaily.com.cn/90001/90777/90854/6861771.html</a>
Iran releases Syrian journalist		Jan 2010: Iran has freed a Syrian journalist working for Dubai television who was detained during antigovernment protests two weeks ago. <a href="http://www.rferl.org/content/Iran Frees Syrian Journalist Held During Protests/1925552.html">http://www.rferl.org/content/Iran Frees Syrian Journalist Held During Protests/1925552.html</a>
Use of social network sites in Iran		16 Dec 2009: A recent report highlights the importance of social networking sites in recent demonstrations. It states that during such events "social networking tool Twitter's raison d'être overnight went from frivolous to vital." Since then, activists have only grown more sophisticated in how they organize protests and spread information online. "These days all the action—inside the country and among politically active émigrés—is on Facebook and a Digg-like site called Balatarin.com." <a href="http://brainstormtech.blogs.fortune.cnn.com/2009/12/16/how-irans-opposition-really-uses-social-media/">http://brainstormtech.blogs.fortune.cnn.com/2009/12/16/how-irans-opposition-really-uses-social-media/</a>
Government cuts internet options	Across Iran (post- election period)	3 Aug 2009: A recent report discusses governments attempt to cut Internet access in Iran. "Iranian government quickly recognized the power of cheap social coordination technologies and, in response, drastically reduced the capacity of national Internet links – the government, in effect, closed the nation's Internet faucet, which greatly reduced how quickly data could be transmitted to, and received from, the 'net as a whole. This claim is <u>substantiated by Arbor Networks'</u> (Internet) border reports, which demonstrate how, immediately after the presidential election, there was a plummet in the data traffic entering and exiting the nation."
Intelligence from videos		Jan 2010: Intelligence Minister Moslehi says Iranian citizens have "spontaneously sent us video footage and photos from the Ashura unrest so we can identify those behind it." <a href="http://uskowioniran.blogspot.com/2009/12/law-enforcement-on-ashura-88-video.html">http://uskowioniran.blogspot.com/2009/12/law-enforcement-on-ashura-88-video.html</a>
Press closure- Hemmat publication banned		Jan 2010: <i>Hemmat</i> weekly banned by the Tehran judiciary for "spreading lies and disturbing the public opinion." <a href="http://www.pbs.org/wgbh/pages/frontline/tehranbureau/2010/01/selected-headlines-110.html">http://www.pbs.org/wgbh/pages/frontline/tehranbureau/2010/01/selected-headlines-110.html</a>
Iranian information attacks against		12 Jan 2010: China's most popular search engine, Baidu, has been targeted by the same hackers that took Twitter offline in December 2009. "A group claiming to be the Iranian Cyber Army redirected Baidu users to a site displaying a political message. The message: "This site has been hacked by Iranian Cyber Army".

Chinese search engine		The site was down for at least four hours." <a href="http://news.bbc.co.uk/2/hi/technology/8453718.stm">http://news.bbc.co.uk/2/hi/technology/8453718.stm</a>
Police warn against use of text messages		15 Jan 2009: Iran's police chief has warned opposition supporters against using SMS text messages and emails to organize anti-government rallies. He also stated that "anyone using SMS or email messages to organize opposition rallies should know their messages were being monitored." http://www.rferl.org/content/Iran Police Chief Warns Opposition Against SMS Email Communication/1930884.html
Police use photos of demonstrators to generate public tips		19 Jan 2010: 40 people have been arrested based on the public's feedback to photos published on a police website of "Ashura day rioters." (December riots) "After the publication of pictures of Ashura day rioters on the police website and in the police special edition more than 40 elements of sedition were identified and arrested with the cooperation of noble Iranians," the website said. <a href="http://abs-cbnnews.com/world/01/19/10/more-40-arrested-after-demo-photos-iran-police">http://abs-cbnnews.com/world/01/19/10/more-40-arrested-after-demo-photos-iran-police</a>
Seven linked to "Radio Farda" are arrested		07 Feb 2010: Iran arrested seven people linked to Radio Farda, a station founded by Radio Free Europe / Radio Liberty and Voice of America. PressTV claimed two of those arrested were "CIA agents." <a href="http://www.longwarjournal.org/today-in/2010/02/iran arrested seven people lin.php">http://www.longwarjournal.org/today-in/2010/02/iran arrested seven people lin.php</a>
Media told to cover only "protests" sanctioned by the state		10 Feb 2010: Government authorities are warming media outlets in Iran to avoid giving any coverage to protestors during the anniversary of the 1979 Revolution. Local media have been warned to avoid provocative headlines and not to cover protests not sanctioned by the state. The few foreign reporters still accredited to work in Iran have been told they can only cover government celebrations, and are banned from interviewing opposition supporters or regular citizens.  http://online.wsj.com/article/SB10001424052748704140104575056972514372994.html
Foreign media banned	Tehran	10 Feb 2010: Foreign media banned prior to anniversary of 1979 revolution. "Iran has for the first time banned foreign media from covering Thursday's street marches marking the 31st anniversary of the Islamic revolution, amid opposition plans for anti-government protests. An official co-coordinating the media told AFP that reporters and photographers were allowed to cover only the speech of President Mahmoud Ahmadinejad at the historic Azadi (Freedom) Square in southwestern Tehran, and not the traditional street marches across the city." <a href="https://www.news24.com/Content/World/News/1073/fe4b55b56d664ac5887f26d8590d9ed4/10-02-2010-07-03/Foreign media banned in Iran">https://www.news24.com/Content/World/News/1073/fe4b55b56d664ac5887f26d8590d9ed4/10-02-2010-07-03/Foreign media banned in Iran</a>
Gmail services suspended in Iran		11 Feb. 2010: "In a move that aims to curb opposition protests, Iran has announced that it will permanently suspend Gmail services. In place of Google email, users will be able to use a national email service provided by Iran's telecom agency." The Wall Street Journal also reports that "Internet and text messaging services have recently suffered widespread disruptions. 'Satellite dishes from residential rooftops have been confiscated, as well as mobile phones from some opposition members." http://www.astreetjournalist.com/2010/02/11/click-here-to-find-out-more-your-request-is-being-processed-iran-bans-gmail-permanent-suspension-of-google-email-goes-into-effect/

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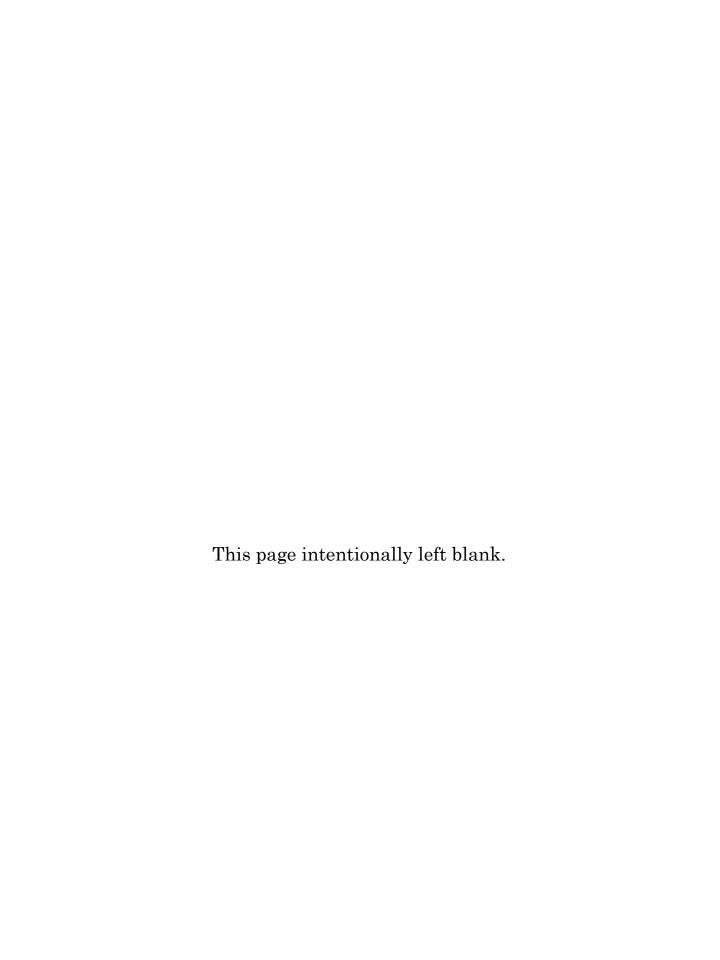
## INFRASTRUCTURE

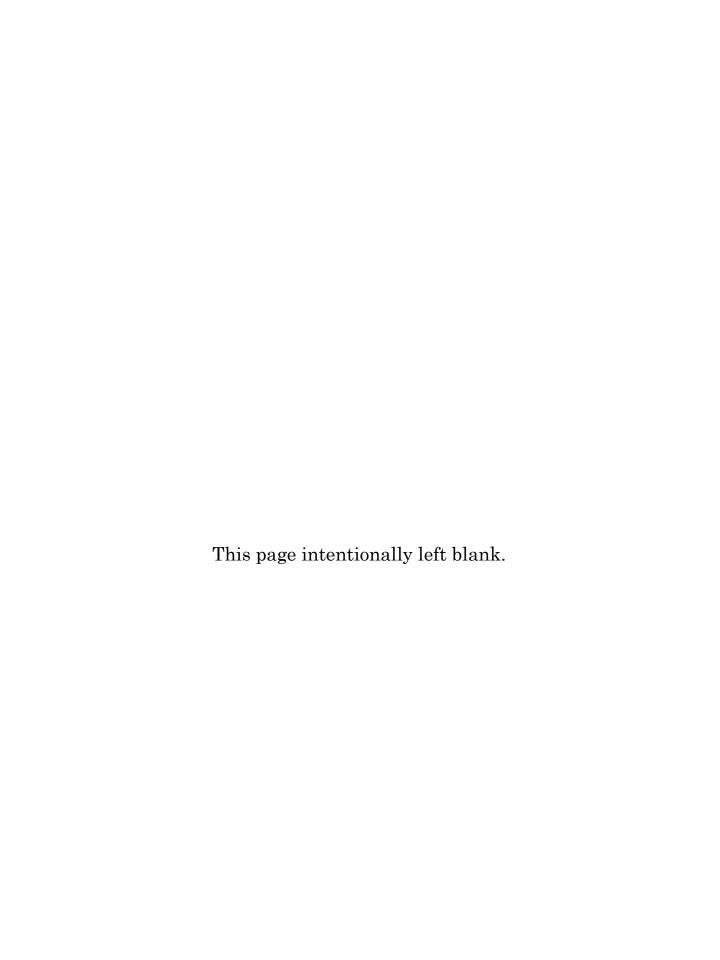
Event	Location	<u>Details</u>
Iran claims it needs 15 nuclear plants to generate electricity		Dec. 2009: The Iranian Foreign Minister releases statement that Iran needs nuclear plants for power generation purposes. "We need 10 to 15 nuclear plants to generate electricity in our country." <a href="http://www.rferl.org/content/Iran Needs Up To 15 Nuclear Plants Foreign Minister Says/1902166.html">http://www.rferl.org/content/Iran Needs Up To 15 Nuclear Plants Foreign Minister Says/1902166.html</a>
New pipeline from Turkmenistan	Southeastern Turkmenista n	4 Jan 2010: Ahmadinejad is to launch a new gas pipeline during his visit to Turkmenistan today "that will more than double natural gas supplies from the Central Asian state to Iran."launching the pipeline will allow (Turkmenistan), along with existing facilities, to raise natural gas supplies to Iran to 20 billion cubic meters a year." The 31-kilometre (19-mile) link will start at the Dovletebad gas field in southeastern Turkmenistan, close to the Iranian border. Iran uses Turkmen gas to supply its northern provinces and free up more of its own gas for exports. <a href="http://in.news.yahoo.com/137/20100105/760/twl-iran-turkmenistan-to-launch-new-gas.html">http://in.news.yahoo.com/137/20100105/760/twl-iran-turkmenistan-to-launch-new-gas.html</a>
Tension with Iraq over oil field		5 Jan 2010: A senior Iranian commander yesterday dismissed media reports about tension alongside Iran-Iraq borders over a number of shared oil wells on the Fakka field. "The colonial powers are seeking to take advantage of any minor development for advancing their ill-intended goals," Commander of the Iranian Army Major General Ataollah Salehi said, calling the recent media reports on tension between the two neighboring countries as "untrue". <a href="http://www.irannewsdaily.com/view_news.asp?id=195087">http://www.irannewsdaily.com/view_news.asp?id=195087</a>
Buried uranium enrichment plant	Qom	September 2009: Iran's uranium enrichment plant buried inside a mountain near the holy city of Qom was revealed. Reports indicate that over the past decade, Iran has quietly hidden an increasingly large part of its atomic complex in networks of tunnels and bunkers across the country. <a href="http://www.msnbc.msn.com/id/34721534/ns/world">http://www.msnbc.msn.com/id/34721534/ns/world</a> news-the new york times/
Earthquake damages infrastructure	Andimeshk (southwestern Iran)	17 Jan 2010: Two earthquakes hit southwestern Iran damaging "about 150 houses." The area is has numerous oil fields and related facilities, but no damage was reported. <a href="http://www.rferl.org/content/Iran Quakes Damage 150 Houses/1931835.html">http://www.rferl.org/content/Iran Quakes Damage 150 Houses/1931835.html</a>
Russian reactor at Bushehr nuclear power plant		21 Jan 2010: Russia announces it will "start up the reactor" at Bushehr nuclear power plant in 2010. "Russia agreed to build Iran the 1,000 megawatt nuclear power plant at Bushehr 15 years ago, but delays have haunted the \$1 billion project and diplomats say Moscow has used it as a lever in relations with Tehran." <a href="http://www.washingtonpost.com/wp-dyn/content/article/2010/01/21/AR2010012101034.html">http://www.washingtonpost.com/wp-dyn/content/article/2010/01/21/AR2010012101034.html</a>
Iran plans to build 10 more nuclear plants		09 Feb 2010: The Iranian envoy to the UN announced that Iran would begin to enrich fuel for a Tehran medial reactor. "Ali Salehi, head of Iran's Atomic Energy Organization, announced Tehran had informed the IAEA that it intended to begin construction of 10 nuclear fuel plants starting in March. Iranian military officials revealed plans to build military planes, aerial drones and antiaircraft missiles." <a href="http://www.latimes.com/news/nation-and-world/la-fg-iran-nuclear9-2010feb09,0,1547705.story">http://www.latimes.com/news/nation-and-world/la-fg-iran-nuclear9-2010feb09,0,1547705.story</a>

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## PHYSICAL ENVIRONMENT

Event	<u>Location</u>	<u>Details</u>
Earthquake	Bandare-Laft	2008: A few hours after a moderate quake measuring 4.3 on the Richter scale, a powerful earthquake measuring 6.1 rocked the surrounding area between Qeshm Island and Khamir port near Bandar Abbas in southern Iran on 10 September 2008. The earthquake occurred at 15:30 local time (11:00 GMT) at a depth of 55.7 km. The quake lasted 30 seconds and spread panic amongst people who ran to the streets in search of shelter. The epicenter was Bandare-Laft, 57 km (36 miles) west of Bandar Abbas.
Ranking for natural disasters	Across Iran	Dec 2009: Government report shows state of environmental conditions is Iran. "Iranian health minister states that, Iran is among the top 10 countries worst hit by environmental disasters." <a href="http://www.tehrantimes.com/index_View.asp?code=210151">http://www.tehrantimes.com/index_View.asp?code=210151</a>
Increasing air pollution risk from colder weather	Tehran	Dec 2009: New report from Iranian authorities "cautioned that the cold season has deteriorated the condition of air pollution in the capital Tehran, saying that the high level of poisonous gases has posed a great danger to the citizens' lives." "The colder the weather gets the more air pollution we face in Tehran. Poisonous gases emitted from vehicles and industries continue to wreak havoc on Tehran's air," MNA quoted Director of Tehran's Air Quality Control Company (AQCC) Yousef Rashidi as saying." <a href="http://www.iranmap.com/2009/12/26/irans-capital-dipped-in-polluted-air">http://www.iranmap.com/2009/12/26/irans-capital-dipped-in-polluted-air</a>
Air pollution worse in 30 years		Dec 2009: Iran study by the Air Quality Control Company (AQCC) found the current level of air pollution "unprecedented in the past 30 years in Iran. Vision in Tehran has decreased to 600 meters in some areas, indicating the problem will not be easily remedied. Vision in Tehran has decreased to 600 meters in some areas, indicating the problem will not be easily remedied." <a href="http://www.iranmap.com/2009/12/26/irans-capital-dipped-in-polluted-air">http://www.iranmap.com/2009/12/26/irans-capital-dipped-in-polluted-air</a>
Sandstorm pollution		July 2009: Sandstorms force business and school closure for two days in Iran due to high levels of pollution. "Visibility has been reduced to several hundred meters, while some domestic flights have been cancelled. The report also states that a reduction in the flow of the Tigris and Euphrates rivers - from drought and upriver damming - has aggravated the situation." <a href="http://news.bbc.co.uk/2/hi/8139007.stm">http://news.bbc.co.uk/2/hi/8139007.stm</a>
Public Holiday for pollution	Tehran	7 July 2009: Government declares a public holiday due to pollution levels nine times above the normal level. <a href="http://www.qppstudio.net/public-holidays-news/2009/iran 002512.htm">http://www.qppstudio.net/public-holidays-news/2009/iran 002512.htm</a>
Earthquake hits Iran	Andimeshk (southwester n Iran)	17 Jan 2010: Two earthquakes (magnitude 4.9 and 4.1) hit southwest Iran in the Khuzestan Province. <a href="http://www.rferl.org/content/Iran Quakes Damage 150 Houses/1931835.html">http://www.rferl.org/content/Iran Quakes Damage 150 Houses/1931835.html</a>







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